

# FINANCIAL TIMES

EUROPE'S BUSINESS NEWSPAPER

Thursday August 23 1984

No. 29,404

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Canadian election: taking the fight to the enemy, Page 8

Asia	10	Indonesia	2590	Peru	80
Australia	10	Italy	1200	S. Africa	6.00
Canada	10	Japan	1050	Singapore	33 1/2
Central America	10	South Korea	1050	Taiwan	10
Europe	10	Thailand	1050	USA	10
France	10	West Germany	1050		
Germany	10				
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Spain	10				
Sweden	10				
Switzerland	10				
Turkey	10				
USA	10				
USSR	10				

## NEWS SUMMARY

### GENERAL

#### Weizman pledges to back Labour

Israel's former Defence Minister, Yigal Cohen-Orlag, has pledged support for the opposition Labour Party in an attempt to break the country's political deadlock.

He said he hoped his decision would help to aid the formation of a national unity government.

Yigal Cohen-Orlag, Finance Minister in the outgoing Government, plans next week to seek emergency powers from the Cabinet to institute a programme to deal with Israel's economic crisis. Page 19

#### Reagan welcomed, Ferraro feted

The U.S. Republican Party was last night preparing a tumultuous welcome for President Ronald Reagan as the climax to its national convention in Dallas. Page 10

Geraldine Ferraro, Democratic vice-presidential nominee, found a sympathetic audience with U.S. teachers in Washington who produced "I love Gerry" signs. Page 4

#### Jobs promised

Herr Norbert Blinn, West German Labour Minister, promised a wave of new jobs and presented measures in Bonn to combat rising unemployment. The draft laws are to be approved by the Cabinet today.

#### Libyan ship held

A French court ordered that a Libyan ship suspected of laying mines in the Gulf of Suez and Red Sea be impounded in Marseilles. Page 3

#### Lebanon protest

The Lebanese Government decided to complain to the UN Security Council about Israeli actions in the occupied south of the country. Pages 3, 10

#### Bonn 'no comment'

The Bonn Government refused to comment on a newspaper report that East German authorities had offered about 1,000 political prisoners for sale in West Germany.

#### Statoil offer

Norway's state oil company, Statoil, is understood to have offered concessions to the British Gas Corporation in negotiations over a new deal for the sale of gas from the Sleipner field. Page 2

#### Dutch spending

The Dutch Finance Minister is seeking support for measures that would cut government spending in 1985 by a further Fl 2bn (\$615m) and hold the public-sector borrowing requirement down to 0.5 per cent of net national income. Page 2

#### Spy jailed

A lieutenant-colonel in the Indonesian forces was jailed for 10 years for spying for the Soviet Union.

#### Tourists invited

The British colony of Gibraltar opened an advertising campaign to attract Spanish tourists despite border restrictions and Spain's long-standing claim to sovereignty over the territory.

#### Student boycott

University of Liberia students are boycotting classes after the arrest of Professor Amos Sawyer, accused of plotting to overthrow the country's leader Samuel Doe and install a socialist regime.

#### Borg to divorce

Tennis player Bjorn Borg and his wife, the former Mariana Simonescu, are to be divorced after four years of marriage.

### BUSINESS

#### Bayer up 73% as recovery continues

WEST GERMAN CHEMICALS Bayer, the West German chemicals concern, raised group worldwide pre-tax profits by 72.9 per cent to DM 1.48bn (\$312m) in the first half of turnover up 16.4 per cent to DM 21.9bn. Page 11, Lex, Page 19

#### WALL STREET: The Dow Jones industrial average closed 7.95 down at 1,231.78. Section III

#### DOLLAR was lower in London at DM 2.85 (DM 2.85), FF 8.94 (FF 8.95), SwFr 2.599 (SwFr 2.4985) and Y241.3 (Y242.15). On Bank of England figures its trade-weighted index was 136.5 against 136.1. In New York it closed at DM 2.872, SwFr 2.591, Y241 and FF 8.8. Page 33

#### STERLING

STERLING dropped 30 points in London to \$1.31. It was also lower at DM 3.77 (DM 3.7875), FF 11.6075 (FF 11.6225), SwFr 3.145 (SwFr 3.1625) and Y318 (Y318). Its trade-weighted index fell to 78.1 from 78.4. In New York it closed at \$1.314. Page 33

GOLD was unchanged in London at \$345.50. It was slightly lower in Frankfurt at \$345 and in Zurich at \$344.75. In New York, the Comex August settlement was \$364.25. Page 32

LONDON gilts and equities were affected by dock strike threats. The FT Industrial Ordinary index ended 1.7 up at 841.6. Section III

AUSTRALIAN stock markets welcomed Tuesday's federal budget. The All Ordinaries index put on 12.6 to 751.9, a three-month high. Section III

TOKYO blue chips moved cautiously upward. The Nikkei-Dow market average added 32.35 to 10,538.32. Section III

HONG KONG banks trimmed prime lending rates by 1 percentage point to 14 per cent after local stock exchanges had closed. Page 3

WHITBREAD, Britain's third largest brewer, is in negotiations for the acquisition of Buckingham of the U.S., owned by the Beatrice group. Page 2

HACHETT, the French publisher, has bought Seymour Press from Britannia Arrow for an undisclosed sum in a bid to improve its position in the UK market. Page 11

MIDWAY AIRLINES is discussing a possible bailout of Air Florida which filed for Chapter 11 reorganisation in July. Page 11

COPENHAGEN HANDELSBANK fixed-half operating earnings by 89 per cent to Dkr 414m (\$8m). Page 12

SOUTH AFRICAN Associated Newspapers suffered a fall in pre-tax profits in the first six months to R2.74m (\$1.76m). Page 12

BOLIDEN, the Swedish minerals, metals and chemicals group, saw profits dip to Skr 282m (\$33.8m) on lower world metal prices. Page 12

PHILIPP HOLZMANN, the West German construction group, remains optimistic despite a contraction in domestic orders to DM 1.2bn (\$416m) in the first seven months of the year. Page 12

Production difficulties in London may have resulted in typographical errors in unit trusts, some advertisements and elsewhere in today's edition.

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### VIOLENCE FLARES AT PICKETED MINES

## UK faces national dock strike over coal ship dispute

BY OUR INDUSTRIAL AND LABOUR STAFF IN LONDON

BRITAIN is facing the prospect of its second national dock strike within a month. The strike, which dockers' leaders may decide to call tomorrow, would be a direct result of the UK miners' strike, now in its 24th week.

The strike threat grew closer yesterday when British Steel Corporation (BSC) decided to ignore union opposition and go ahead with plans to unload a ship in Scotland with urgently needed coal supplies for the Ravenscraig steel works.

Dockers have been refusing to handle coal shipments in support of the miners, and their union, the Transport and General Workers (TGWU), said there would be a national port strike if any attempt was made to handle coal shipments without using registered dock labour.

Mr John Connolly, TGWU national docks officer, said he would call a meeting of the union's docks committee tomorrow to discuss details of a strike. He said a strike was likely - even after so short a time since the last stoppage, which ended only on July 21. That dispute was over the use of unregistered dock labour in the unloading of iron ore for another British Steel plant.

BSC took its decision after talks with the TGWU on coal quotas for Ravenscraig broke down yesterday. It ordered the Panamanian-registered Ostia to leave Belfast docks for the BSC terminal at Hunterston, on the west coast of Scotland, where its cargo of 95,000 tonnes of coal will be unloaded this morning.

Violence intensified in the UK coalfields yesterday as pickets massed in strength to prevent the continuing drift back to work by miners in defiance of their union. On television, Mr Arthur Scargill, president of the National Union of Mineworkers (NUM), had a face-to-face confrontation on the strike with Mr Ian MacGregor, chairman of the National Coal Board. It took place as a result of a challenge made by Mr Scargill.

The worst violence yesterday was in Mr Scargill's heartland, the Yorkshire coalfield, which has until recently been solidly behind the strike.

The village of Armthorpe, near Markham Main Colliery, in South Yorkshire, was cut off for some hours as bus services were withdrawn and roads cut by police after pickets had attacked passing vehicles indiscriminately.

At Markham Main and Bentley collieries, police reported "military style" groups dressed in army fatigues and balaclavas breaking into the pit yards and systematically destroying TV cameras, floodlighting and office windows.

An NCB spokesman at Bentley said the 50-strong group that invaded the pit was led by a "thin-faced woman." Mr Tony Clement, South Yorkshire's assistant chief constable, said: "One wonders if they are people of the mining community."

Mr Clement said the military-style groups "add a new dimension to the problem." He added: "It is the most sinister element yet." He said they were well disciplined and had been told where to meet and where to go. "In addition, they have been supplied with equipment," he said.

In Bentley village, police talked of a "looting spree" after pickets overturned a 52-seater bus, which they then dragged with a crane to form a barricade at the entrance to the pit.

At the village of Edlington, barricades were built and set on fire near Yorkshire Main Colliery. Page 9

Time to stop cossetting coal, Page 9

### French unions agree to Citroën job cuts

BY DAVID MARSH IN PARIS

FRANCE'S loss-making Peugeot car group yesterday clinched preliminary agreement for big redundancies at its Citroën subsidiary as trade unions accepted compromise proposals offering retraining for laid-off workers.

The job cuts, delayed for several months by government disapproval and union hostility, form a crucial part of Peugeot's restructuring plan designed to put the private-sector group back into profit after losses of FF8bn (\$903m) over the past four years.

Full reaction of Citroën's workforce will not be known until its car plant employees resume work next week after the August shutdown. The Government, which vetoed Citroën's proposals for about 2,200 2,400 redundancies earlier in the summer, has still not announced whether it is accepting the new plan.

The overall mood seemed in favour of a compromise last night. Although the metalworkers' section of the Communist-led Confédération Générale du Travail trade union called on the Government to reject the Citroën proposals, the CGT indicated that it would not be seeking full-scale confrontation with the Citroën management.

The redundancies form the final and most hotly contested part of a programme of 6,000 job cuts Citroën is seeking from its 44,000 French workforce.

The Government has already accepted proposals to retire early 3,260 staff. At least 400 to 600 immigrant workers look likely to accept state repatriation allowances of about FF 100,000 and return to their home countries.

In a formula worked out by Citroën, unions and government officials during the summer, which might serve as the basis to smooth further controversial lay-offs in manufacturing industry, laid-off staff will receive 70 per cent of pay during a 10-month training spell, designed to help them to find new jobs.

During the period, the workers will remain attached to the company.

On the basis of an average redundant worker's salary of FF 5,500 a month, the programme will cost about FF 85m in terms of wage payments alone. The key question of the state's contribution has not yet been decided, but - assuming the Employment Ministry approves the overall lay-off - Citroën expects substantial government aid.

The training scheme was approved last night. Page 10

### FCA changes dilute power of chairman

BY WILLIAM HALL IN WASHINGTON

MR CHARLES KNAPP, the former investment banker who heads Financial Corporation of America (FCA), the troubled parent of the biggest U.S. savings and loan association, has lost much of his power in a boardroom reshuffle.

FCA, which last week restated its second-quarter results to show a \$107.3m loss and disclosed that it had breached official minimum liquidity requirements, yesterday announced the appointment of a triumvirate of joint chief operating officers who will be responsible for its day-to-day operations.

Mr Knapp, 49, remains as chairman and chief executive officer. Mr J. Foster Fluetsch, who has been one of the main driving forces behind the explosive growth of FCA from an institution with less than \$1bn in assets five years ago to a \$32.7bn institution, remains as vice-chairman of FCA and chief executive of American Savings, its main operating subsidiary.

Yesterday's statement from FCA said, however, that both men would concentrate on corporate planning and strategy and that the three new co-chief operating officers, who will form a new office of the president, will be responsible for the operations of FCA.

The move is designed to bolster confidence in FCA and American Savings, after signs that many large depositors are becoming nervous about renewing their \$15bn of large certificates of deposit and time deposits which fall due before the end of next month.

The bulk of those deposits are not federally insured and, given the adverse publicity about FCA's financial performance in recent weeks, many depositors may be tempted to move their money to less controversial institutions.

The three new co-chief operating officers have been drawn from FCA's own ranks, but two of them are relatively new appointments at FCA and are not regarded as part of the old FCA management team.

Mr John Darr, 40, joined FCA in June as chief financial officer after heading the finance operations of the U.S. Government-sponsored Student Loan Marketing Association (Sallie Mae).

Mr Phillip Brinkerhoff, who headed the Federal Home Loan Mortgage Corporation (Freddie Mac) for five years, joined FCA last year after the takeover of First Charter Financial Corporation of which he had been president since 1982.

Mr Darr will continue to run FCA's financial affairs and Mr Brinkerhoff will continue to head the group's mortgage sales and distribution operations, in addition to their new responsibilities.

The third member of the new president's office is Mr Arthur Shingler, who took over as president of American Savings in January.

Continued on Page 10

### Bonn faces storm over formaldehyde warning

BY JONATHAN CARR IN FRANKFURT

A PUBLIC dispute has erupted in West Germany over the possible health hazards of the chemical formaldehyde - widely used among other things as a disinfectant and preservative.

Federal authorities yesterday strongly denied press reports that they were deliberately withholding evidence showing that formaldehyde might cause cancer and should be banned.

At the same time, BASF, the world's biggest producer, noted that formaldehyde had been in use in industry and medicine without serious mishap for over 90 years and called suggestions that it be banned "absolutely senseless."

It is pointed out that at least 50 industrial sectors from building to cosmetics used the chemical and that its ban would cost the German economy hundreds of billions of D-Marks annually.

The opposition Social Democrats (SPD) in Bonn promptly emphasised that the alarm over the substance showed the need for a firm, strategy to replace chemicals that poisoned the environment.

The Greens, the party of environmentalists and other radicals, called for a nationwide examination of schools, hospitals and other buildings where they feared that an excessive concentration of formaldehyde (known in diluted form as formalin) might be present.

The dispute comes when environmental protection in all its aspects has emerged as a political and national issue of the greatest sensitivity. Partly because of the dispute, the BASF share price dropped yesterday DM 1.30 to DM 155.50, although the company is expected to release figures soon showing a sharp upturn in first-half profits.

The latest dispute over formaldehyde (there was another a few years ago) emerged after news that several kindergartens in Wiesbaden had had to be closed for a time because there was too much formaldehyde in the air.

The dispute followed this week by television and newspaper reports saying federal environmental protection and health authorities had produced a report saying formaldehyde could cause cancer.

According to these reports, the Government had suppressed the information because of the serious economic effects that banning the chemical would involve.

Yesterday federal experts and BASF emphasised that it had long been shown that some rats developed nasal cancer when subjected to very high doses of formaldehyde. They added, however, that it would be wrong to deduce that formaldehyde would cause cancer in humans.

The federal authorities said they were working on a joint report on the whole impact of formaldehyde on health. Page 10

At the village of Edlington, barricades were built and set on fire near Yorkshire Main Colliery. Page 9

Time to stop cossetting coal, Page 9

### SA's coloured poll held amid clashes

BY JIM JONES IN JOHANNESBURG

POLICE in South Africa arrested hundreds of people and used tear gas and rubber bullets to disperse demonstrators as elections were held among the coloured population - those officially designated as being of mixed race - in a parliament that will offer limited representation under white rule.

More than 80 per cent of coloured pupils stayed away from school in protest at the elections, and were joined in their boycott by about 40,000 white, Indian and black students.

That signified a widespread rejection by the younger generation of government moves to establish separate and subservient houses of parliament for the coloured and Asian minorities, and excluding the black majority.

Anti-election demonstrations near polling booths were generally peaceful, but were not allowed to last for long. In Eldorado Park, a coloured township west of Johannesburg, police used tear gas, rubber bullets and sticks to disperse a crowd of about 500 students near one polling station.

In Riverlea, another Johannesburg coloured suburb, at least 31 students were detained after holding an illegal meeting while at Festerus, outside Pretoria, 24 students were arrested after a demonstration.

More leaders of organisations opposed to the new parliament were arrested. Page 10

### British semiconductor strength boosted by £90m investment

BY JASON CRISP IN LONDON

TWO LEADING electronics groups are planning to build new microchip plants in the UK worth altogether nearly £90m (\$18m). The decisions will confirm Britain's position as the largest semiconductor manufacturer in Europe.

In the next few weeks Marconi Electronic Devices (MEDL), a subsidiary of the General Electric Company of the UK, will announce a new microchip plant in Lincoln in the English Midlands, where it already has a large facility. The plant is expected to cost about £20m and will go into production in 1987.

Philips, the Dutch electronics group, is also expected to give the go-ahead for a big investment at Mullard, its UK electronic component subsidiary. Mullard makes a wide range of integrated circuits at Southampton and is believed to be planning a new wafer fabrication facility there that would double its production of microchips.

MEDL was set up three years ago after the collapse of a joint venture with Fairchild of the U.S. when it was taken over by Schlumberger. MEDL has a turnover of £55m. The company employs about 700 people and makes custom microchips rather than the standard microprocessors and memory chips.

The planned investment at Mullard is somewhat smaller than at MEDL. Mullard faces fierce competition from other parts of the Philips group for the investment and no final decision has been made.

The proposed plants follow a number of other recent large investments in semiconductor production in Britain. Earlier this year, Standard Telephones and Cables started a £70m investment programme at Foot Cray in Kent. Construction has started of a microchip plant which is expected to be completed next year.

Plessey is investing £90m on microchips over the next five years. It is spending £50m of that on a new plant at Plymouth in Devon which will employ over 600 people by 1990. The company is spending £30m on research and development into microchips over the next five years.

Last year Ferranti built a plant at Oldham, Lancashire, which is going into production, and which doubled its capacity to produce silicon wafers. Page 2

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Time to stop cossetting coal, Page 9

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Europe	2	Editorial comment	8
Companies	11, 12	Eurobonds	24
America	4	Euro-options	27
Companies	11	Financial Futures	32
Overseas	3	Internat. Caplt. Markets	34
Companies	12, 13	Letters	39
World Trade	4	Lex	19
Britain	2	London	9
Companies	20-22	Marking	9
Agriculture	32	Market Movers	23
Appointments advertising	14-19	Men and Matters	8
World Guide	7	Mining	21
Business Law	13	Money Markets	33
Commodities	32	Raw materials	32
Crossword	30	Stock markets - Buenos	23, 29
Currencies	33	Stock markets - London	23, 24-25, 27-29
		Technology	6
		Unit Trusts	30, 31
		Weather	18

Greece: Papandreou faces a complicated riddle	2	Economic Viewpoint: time to stop cossetting coal	9
Peking: why Mao's widow must stay in jail	3	Lombard: West Germany in the fast lane	9
Technology: IBM puts its robots to work	6	Lex: German chemicals; W.H. Smith; Horizon; Rascal	10
Canadian election: taking the fight to the enemy	8	U.S. banking: a force in loan expansion	11
Editorial comment: Reagan and the Republicans	8	FT top 10: the world's best advertising campaigns	11



# EUROPEAN NEWS

## Further cuts in Dutch public spending sought

By WATER ELLIS IN AMSTERDAM

MR ONNO RUDING, the Dutch Finance Minister, is once more pressing his Cabinet colleagues to take a tough stand on government spending. He is seeking support for a series of measures that would cut expenditure in 1985 by a further Fl 2bn (\$815m) and hold the total public sector borrowing requirement down to 9.5 per cent of net national income.

Under his proposal plans to cut Dutch corporation tax from 43 per cent of earnings to 41.5 per cent next year would be scrapped and industry would have to make do with a reduction in the level of employers' social insurance premiums.

Mr Ruding also hopes to scrap the annual bonus paid out to people on subsistence incomes.

The savings achieved in each case would be about Fl 400m. A fur-

ther Fl 250m would be saved by a suggested reduction in the size of the development aid reserve, while Fl 200m would come from the abolishing of certain allowances currently paid for schoolchildren aged between 12 and 16.

The Government already has plans to cut public sector wages again next year, having reduced them by 3 per cent this January following seven weeks of protest by civil servants and other public sector workers.

The public sector deficit has acquired for the present Government - a centre-right coalition of Christian Democrats and Liberals - much the same significance as inflation for Mrs Margaret Thatcher in the UK.

The target for 1988 is set at 7.4 per cent of net national income.

## Concessions on gas offered by Statoil

By JAMES BALL AND MEG LEITCH IN STAVANGER

STATOIL, the Norwegian state oil company, is understood to have offered concessions to the British Gas Corporation in negotiations over the sale of gas from the Sleipner field.

One concession is that the Sleipner partners will, if Statoil's proposal is accepted, establish a separate company registered in the UK to own and operate the gas pipeline to St Fergus in Scotland.

This move would have positive tax advantages to the UK Treasury when future northern UK gas is linked to the line.

It appears the peak level of gas production from the field will reach a reduced plateau of 8-9bn cubic metres a year from 1985/1986, thus meeting British demands, rather than the 10-11bn cubic metres agreed initially between British Gas and Statoil. Because of this Statoil's offshore platforms will be reduced in size and more importantly in costs.

## French N-plant output boosted

By David Marsh in Paris

A SHARP improvement in the technical performance of France's nuclear power stations, allied to an unexpected spurt in electricity demand, helps to explain why French atomic energy planners are more confident than a year ago.

In July last year the Government set Electricite de France (EDF), the state electricity utility, the huge task of boosting electricity consumption throughout the country by about 40 per cent by 1990 to optimise the use of France's burgeoning battery of N-plants.

EDF's ambitious target is still a long way from being realised. But this year's electricity consumption is already turning out to be better than expected. Domestic consumption in the first seven months of the year rose 7.5 per cent, and exports leapt ahead faster than expected.

Increased reliability of EDF's installed nuclear network, which has risen to 38 plants of a total 30,800 MW capacity and generates about 55 per cent of France's electricity, has helped ease the utility's perennial headache over running costs.

During the first six months of the year EDF's reactors were available for electricity generation 81 per cent of the time, compared with an "availability rate" of 89 per cent in 1983 and 89 per cent in 1982.

To try to maximise efficiency of its N-plants, EDF has accelerated the phasing out of coal-fired plants (where the marginal cost of electricity production is about three times greater than uranium-burning power stations). It is running its nuclear network more flexibly to cope with large daily fluctuations in demand for current.

## Andriana Ierodiaconou in Athens examines U.S.-Greek relations Papandreou's complicated riddle

RELATIONS between Greece and the U.S. went through their worst period in July since the Socialist Government came to power in Athens in 1981.

The clash had an almost cathartic effect with both sides, in the words of one U.S. official, "stepping back with some relief" from outright confrontation and introducing a short period of relative harmony.

In the past few days, however, there have been indications that dissatisfaction with each other in Athens and Washington is again coming to the surface.

A crisis in relations had been building up since Mr Andreas Papandreou became Prime Minister. Washington had become increasingly impatient with the Socialist administration's flirtation with Moscow, with a persistent Communist-led strike by Greek workers at the U.S. military bases in Greece, and with anti-American rhetoric both from the Government and the press.

The situation came to a head over reports that Washington had vetoed the sale of second-hand U.S.-built combat aircraft by Norway to Greece, and over accusations by U.S. State Department officials that Athens had set free a Jordanian terrorist against the advice of U.S. and British intelligence.

The storm appeared to blow over last month when Washington said it had made no decision about the aircraft sale and the two sides appeared to have salvaged a workable, if wary, peace.

For the Greeks, the need for good relations with Washington is underlined by their continued dependence on the U.S. for military credits and equipment. F-16 or F-18 combat aircraft are expected to head a \$2bn purchase of new aircraft for the Hellenic air force.



Mr Andreas Papandreou, Greek Prime Minister: runs the risk of losing votes of the Left

For the U.S. side, the use of the four military bases in Greece remains an important reason for avoiding a rift. "Greece is still in a pretty important place on the map," a U.S. official said.

The emphasis switched this month to speeding up negotiations to resolve sensitive bilateral issues. The status of the Greek workers at the bases is to be settled, according to the U.S. side, with the help of legal experts from Washington. An initial memorandum of understanding, ending protracted strike action, was signed at the end of July.

Talks are also expected to start this week to renew an agreement for the operation of two Voice of America relay stations in Greece. Athens had threatened to close the stations in the heat of the July fray. Negotiations are scheduled to begin in September for a new Greek-U.S. civil air agreement.

Washington has also reportedly been appalled by the Greek Government's decision to call off ministerial visits to Cuba and Nicaragua. Mr Papandreou has also not been in a hurry to carry out visits to Warsaw and Tripoli which have been on his agenda for some time.

But few on the U.S. side believed that relations had become idyllic and the first clouds have already appeared on the horizon. At the beginning of this week the Athens Government announced that, for the first time in 14 years, Greek troops would not take part in a joint exercise with U.S. forces in the north of Greece next month.

The announcement came after accusations by the pro-Moscow Communist opposition that the Government was adopting U.S. cold war tactics against "friendly" Warsaw Pact countries to the north.

The same evening, Greek televi-

sion audiences were treated to a news item on the U.S. Republican Party convention in Dallas based entirely on reports in the Soviet newspapers, Pravda and Izvestia.

Perhaps the most worrying development has been the reports of the planned purchase of Soviet heavy machinery for the Greek army construction company. The deal has been approved by the Defence Ministry, but the Ministry of National Economy, which has the final say on financial details, still has to append its signature.

Once completed, however, this contract would constitute an unprecedented purchase by a Nato country. The Greeks argue that the equipment will be used only for civilian construction purposes, but in the U.S. view it is disturbing because of the dependence it will create between an alliance member and the Soviet Union.

U.S. officials say memories are still fresh in Washington of the use in the invasion of Afghanistan of trucks constructed in the Soviet Union with U.S. know-how.

The development of relations in the near future will depend at least in part on domestic Greek politics. Mr Papandreou faces a general election some time before October next year. If he makes conciliatory gestures towards the Americans he runs the risk of losing votes on the radical Left with no guarantee of being able to recapture alienated moderates, whose distinction has more to do with his social and economic policies than with foreign affairs.

The riddle for Mr Papandreou is that if, for economic and strategic reasons, he cannot afford to have the U.S. as an enemy, he may also feel that for political reasons he cannot afford to have it for a friend.

## Solidarity leaders call for support

By Leslie Collett in Warsaw

THE UNDERGROUND leadership of Solidarity called on Poles yesterday to demonstrate their support for the banned union on August 31, the anniversary of the signing in 1980 of the Gdansk accords between the Government and striking workers.

A statement from Solidarity's temporary coordinating commission (TKK) urged the union's members and supporters to "participate massively in a Solidarity holiday." The underground statement, unlike those of the last two years following martial law, did not specify what union leaders were to do. It was signed by five underground leaders including Leszek Busiek.

Mr Leszek Walesa, Solidarity's leader, issued an appeal calling for moderation after the amnesty of political prisoners which ended last Monday. He said he planned to make a speech in Gdansk on August 31. Other union officials and advisers have indicated that the opposition is taking a low-key approach when its released leaders are conferring one by one with Mr Walesa on the movement's future strategy.

More than 2,000 worshippers inside a Warsaw church and 3,000 more outside gave a tumultuous welcome on Tuesday evening to recently released political prisoners at a mass celebrated in their honour.

Six of the 11 leading Solidarity activists and advisers who were freed appeared at the service. They were hugged and kissed by parishioners of St Stanislaw Kostka Church who chanted "Solidarity" and repeatedly raised their hands in victory signs.

## UK NEWS

### Whitbread in U.S. takeover talks

WHITBREAD, Britain's third largest brewer, said yesterday it was involved in negotiations that could lead to the acquisition of Buckingham Corporation of the U.S., which is owned by the Heublein group.

Buckingham imports and markets Catty Sark whisky, Finlandia vodka, Mouton Cadet wines and other spirits in the U.S.

Two years ago Whitbread bought the Julius Wile drinks distribution business in the U.S. from Nabisco Brands in a deal worth about £89m.

A spokesman for Whitbread said yesterday: "I can confirm that we are having discussions with Beatrice Foods but we can not say anything further at this stage."

"This is, of course, in line with our previously stated strategy to expand the business overseas given the right opportunities."

Buckingham forms part of the Beatrice beverages division which supplied 9 per cent of the group's earnings in the year to February 1982. Total net earnings of the group that year were £390m net with operating earnings of \$724m.

Whitbread, which reported a £95.1m pre-tax profit in the full year to March, has been among the most aggressive of UK brewers in diversifying its interests. Non-beer related activities account for more than 40 per cent of its profits. Part of the group's strategy is to achieve up to one third of group profits from outside the UK by the 1990s.

● THE FIRST large naval contract to go out to open tender has been awarded to Ferranti Computer Systems, which will provide sonar equipment for frigates worth £250m in the next four years. Open tendering was brought in by Mr Michael Heseltine, the Defence Secretary, to increase competition among contractors and cut costs.

Ferranti, whose tender beat bids from Plessey and Marconi, has never produced a complete sonar system before, although it has acted as a sub-contractor to Plessey. A Ferranti spokesman said Plessey might be asked to act as a sub-contractor for the sonar equipment, but Marconi would be the main sub-contractor.

● WEST GERMAN Bitter high-performance executive cars are to be introduced on the UK market next year. Gordon Lamb of Chesterfield, Derbyshire, is the UK concessionaire for the car which uses 3-litre engines and gearboxes from Opel, the General Motors subsidiary. The car, conceived and developed by Erich Bitter, a former racing driver, will cost about £27,000. Sales of 200 a year are predicted for the UK.

● HAMELET SHIRT, a small Peterborough, Northamptonshire, company owned by Warner Corporation of the U.S., is to make Christian Dior shirts. Until now Christian Dior shirts sold in the UK have been imported from Hong Kong.

### GM's Bedford truck subsidiary sees profit return by 1986

KENNETH GOODING, MOTOR INDUSTRY CORRESPONDENT, IN DETROIT

BEDFORD, the General Motors (GM) commercial vehicle subsidiary in Britain, would return to profit in 1986 - much sooner than expected - Mr Don Atwood, executive vice-president responsible for GM's world truck and bus operations, said yesterday.

Bedford was profitable until 1980 when demand in many of its traditional markets collapsed. Last year its losses were more than £50m.

Its return to profit would be speeded up by the introduction of some new vans - a new Astra car-derived van and a one tonne van based on the WFR produced by GM's Japanese associate Asuzu.

GM is in the middle of a three-year £70m investment programme for the Bedford van production lines at Luton.

Mr Atwood said GM was still "looking favourably" at the possibility of making in Britain a minivan based on a design by Suzuki, the Japanese company in which GM has a 5 per cent stake. GM has promised the UK Government that the Suzuki vehicle would ultimately have an 80 per cent EEC content.

GM wants to boost its share of the worldwide commercial vehicle business outside North America from its current 6 per cent to at least 10 per cent. To this end the design and engineering activities of Bedford and of GM of Brazil have been linked with those of the group's American businesses, GMC and Chevrolet in the world truck and bus group.

Mr Atwood insists that Bedford will continue to play an important role in the group, which was formed three years ago, and will benefit from new products which will emerge from the world programme well before the end of the 1980s.

Lord Weinstock would remain managing director of GEC. The previous chairman was Lord Carrington, who retired in May this year. He was paid £81,000 in the year to March.

Hazel Duffy said: "A consortium of GEC and the John Mowlem construction company is to build the new light rail system in London's Docklands. The award of the near £50m contract was made yesterday."

The system will incorporate the latest proven technology in the development of light rail, which is a cheaper alternative to conventional or underground railways. It will use equipment designed and developed by GEC mainly, but the cars will be built under licence from the West German company Linke-Hofmann-Busch.

### Prior studies offer of a top post at GEC

BY JOHN HUNT

MR JAMES PRIOR, Northern Ireland Secretary, has had talks with the General Electric Company (GEC), the leading UK industrial group, about the possibility of becoming its chairman.

Mr Prior, who has had experience in business management, has made it known that he wants to give up the Ulster post and is expected to leave the Cabinet after a Government reshuffle of ministerial posts expected next month.

It is expected that he will make up his mind about the GEC post until Mrs Margaret Thatcher, Prime Minister, has clarified his political future. If Mr Prior, who is 55, does lose his Cabinet position he intends to remain an MP at least until the next general election, which could be as late as June 1988.

Ulster coroner resigns

BY OUR BELFAST CORRESPONDENT

A NORTHERN IRELAND coroner has resigned because he claims to have found "grave irregularities" in the files of the royal Ulster Constabulary about the deaths of two members of the Irish National Liberation Army who were shot by the police.

Mr Gerry Curran, the coroner for Armagh for the past four years, announced his resignation yesterday after he reviewed the files before inquests on Seamus Grew and Roderick Carroll.

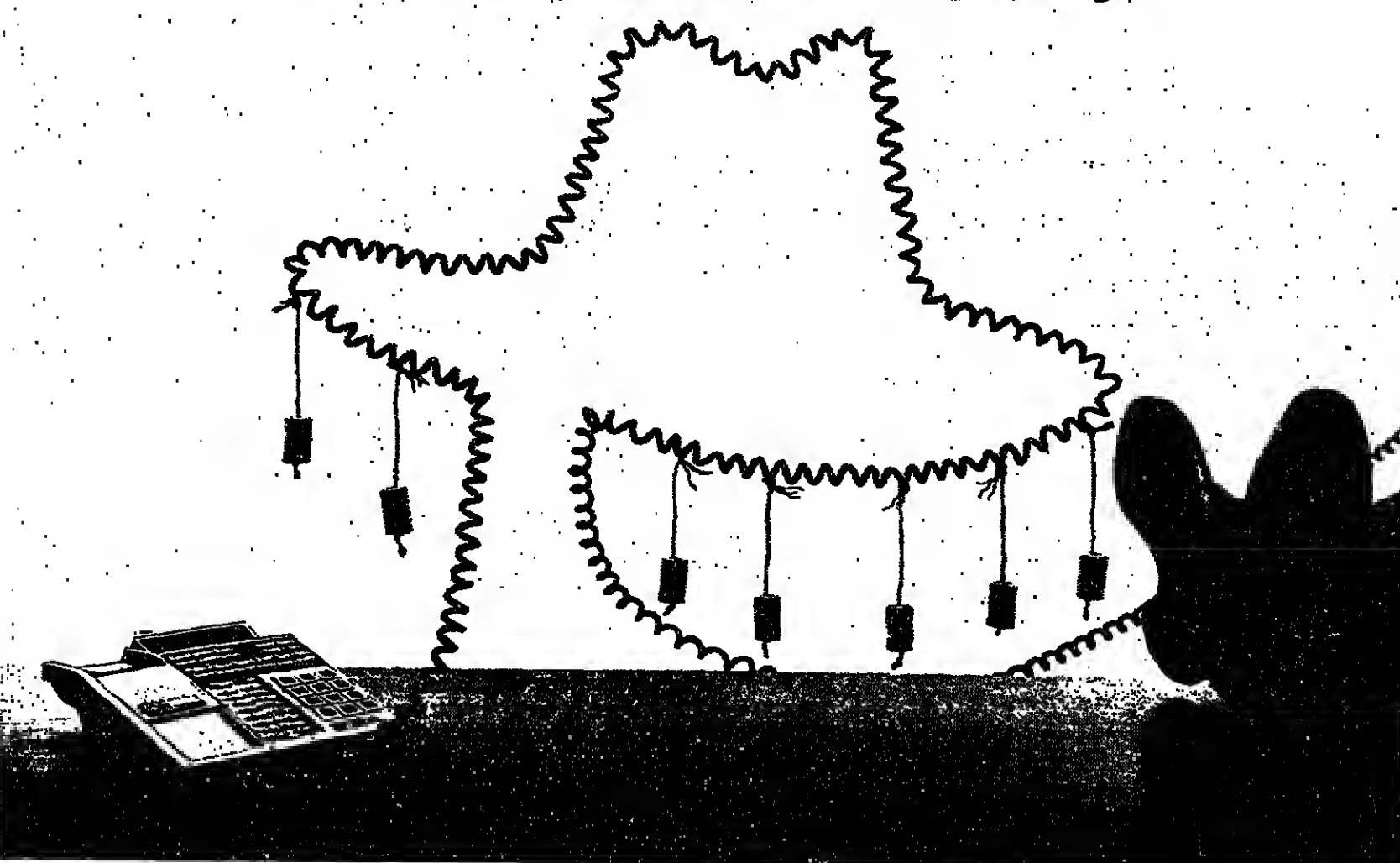
His decision is bound to cause further suspicion among Roman Catholics about police tactics.

The UK Government will view his statement with concern because it represents another setback to the RUC's efforts to win support in the Catholic community.

Eleven days ago during a rally in Belfast a man was killed by a plastic bullet fired by police attempting to arrest Mr Martin Galvin, publicity director of Noraid, the U.S. fund raising organisation for the IRA.

FINANCIAL TIMES, USPS, No. 19626, published daily except Sundays and holidays. U.S. subscription - \$420.00 per annum. Second class postage paid at New York, NY and at additional mailing offices. POSTMASTER: send address changes to FINANCIAL TIMES, 14 EAST 60th STREET, New York, NY 10022.

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OVERSEAS NEWS

Lebanon plans UN protest at Israeli actions in south

BY NORA BOUSTANY IN BEIRUT AND DAVID LENNON RECENTLY IN SOUTH LEBANON

THE Lebanese Government yesterday decided to complain to the United Nations Security Council about Israeli actions in the occupied south of the country.

The move follows the imposition of strict new rules, particularly affecting Muslim residents, on travel between the north and south of Lebanon. Mr Rashid Karami, the Lebanese Prime Minister, yesterday claimed that Israel had violated international conventions, one aim of which had been to prevent a repetition of Nazi actions against the Jews.

"It is ironic that we today are suffering from the ugliest kind of occupation at the hands of those who in past agreements were supposed to protect," he said.

The 750,000 Muslim residents of Southern Lebanon have been virtually cut off from the rest of the country by the latest restrictions which the Israeli authorities have imposed on travel.

A senior officer with the Israeli Army Liaison Office for Southern Lebanon denied yesterday that the restrictions for Muslims are, as many believe, a retaliation for Beirut's decision to close down the Office near the Lebanese capital a month ago.

The officially declared aim of the new restrictions is to stop the flow of weapons and arms to the local Muslim resistance fighters and to prevent the return of Palestinian guerrillas to the south.

Privately, however, officials in Jerusalem admit that the intention is to use the resentment of the disgruntled Southern Lebanese Muslims to put pressure on the Beirut Government to reopen a dialogue with Israel on terms for an Israeli withdrawal.

Those Muslims who manage to convince the Israeli bureaucracy to give them a permit must cross the Awali River, the Israeli front line in Lebanon, at the inconveniently located bridge at Bateh-a-Chouf, north of Jezzine in the central sector.

The 200,000 Christians of Southern Lebanon only need show their identity cards if they wish to travel Northwards. They can drive across the more

Tripoli death toll reaches 100

THE CASUALTY toll from three days of incessant fighting in the Northern town of Tripoli rose dramatically to 100 dead and many more wounded as the Lebanese Cabinet failed to endorse an extended security plan for the hills East of Beirut, Nora Boustany reports.

Heavy clashes between the Alawite militia of the Syrian-backed Arab Democratic Party, known as the "Pink Panthers," and the fundamentalist Sunni Muslim fighters of the Islamic Front, Islamic Unification Movement, drove hundreds of residents out of the embattled port city.

The violence, described as the worst in the past eight months, highlighted the instability of the Government of Mr Rashid Karami, to approve a disengagement plan that would pacify the hills East of the capital and reopen three main highways.

convenient Awali River bridge on the coast just North of Sidon to the small port of Qia where they can take a boat to Beirut. This enables them to avoid the Druze roadblocks at Damour.

For a Muslim, obtaining a permit to transit Bateh takes "four or five hours," according to an Israeli official. Even after a permit has been obtained, the crossing must be made on foot.

The anti-guerrilla tactics, which the Israeli admitted are directed exclusively against the Muslims, have severely disrupted the region's economy, according to local residents.

But the senior Israeli officer insisted that "the economic situation is good if we measure it by the amount of concrete and steel they are buying for construction work."

In addition to the restrictions on the movement of the predominant Muslim community, roadblocks, curfews, spot checks, midnight searches and random arrests are part of Israel's method of trying to defeat the violent resistance to the occupation.

Suspect Libyan ship held in France

By Tony Walker in Cairo

A FRENCH court has ordered a Libyan ship suspected of laying mines in the Gulf of Suez and Red Sea impounded in Marseilles.

The ship, the 1,600-ton roll-on, roll-off Ghaz, is at present undergoing repairs at Marseilles' southern port, and according to French maritime authorities will not be allowed to leave until further notice.

So far, which country or organisation is responsible for laying the mines is still a mystery. Both Libya and Iran have denied involvement. The Ghaz has been impounded because a French vessel, the Rosa, owned by a Marseilles freight company, has been detained in Libya since 1979, officials said yesterday.

In other developments, Holland is discussing with Egypt the possibility of sending mine-sweeping vessels to the region.

Renter adds from Paris: The French court order impounding the Libyan ship was issued strictly under commercial law, French External Relations Ministry officials said.

Libyan protest over murder

THE Foreign Office was yesterday awaiting the text of the Libyan protest to Britain over the murder of Mr Ali al Ghabour, the Libyan businessman whose body was found in a West End flat on Monday, Richard Johns writes.

The protest was handed to the charge d'affaires at the Italian embassy, which has been looking after UK interests since the rupture of diplomatic relations in April. The official Libyan news agency reported yesterday that "the General People's Committee for the Foreign Liaison Bureau (Foreign Ministry) warned of the consequences of any criminal act threatening the safety of Libyan citizens living in Britain."

Mr Ghabour was on his way to stand trial at the Old Bailey in connection with bomb attacks on Arab targets in London.

Hong Kong banks trim prime rate to 14%

BY DAVID DODWELL IN HONG KONG

HONG KONG'S Association of Banks yesterday trimmed prime lending rates by 1 percentage point to 14 per cent. This brings interest rates back to levels prevailing at the beginning of July when mounting pressure on the local currency triggered a record 31 percentage point increase to 17 1/2 per cent.

The latest cut was expected last weekend and had kept the local stock markets buoyant throughout the latter part of last week.

Yesterday's announcement came after local stock exchanges had closed. During the day,

some overseas buying interest had lifted the Hang Seng Index by five points to close at 907.99. Trading volume remained extremely light, with a turnover of just HK\$100m (£9.7m) being reported.

The cut in interest rates has come despite the fact that the Hong Kong dollar remains well below the level at which it is supposed to be linked to the U.S. currency.

In Hong Kong last night the local unit was being traded at around 7.845 to the U.S. dollar, 4 1/2 cents below the 7.80 linked rate formalised in October last

year in the wake of a serious run on the currency.

All efforts to lift the currency back to its linked level have failed over the past six weeks, since a sudden bout of selling pressure aroused fears that a new monetary crisis was about to erupt.

Then the small group of banks which controls Hong Kong's interest rates raised prime lending rates by 3 1/2 points as an emergency measure to contain the crisis.

Overnight, interbank interest rates at one stage reached 60 per cent as the banks tried in

vain to squeeze the currency back into line.

The interest-rate cut, which follows a 2 1/2 points cut on August 2, will bring welcome relief to Hong Kong's manufacturing industry, and to the heavily-indebted companies particularly in its property sector.

The cut came in the wake of the announcement by Mr Tony Latter, Hong Kong's Deputy Secretary for Monetary Affairs, that the territory's trade in goods and services is in "rough balance" for the first time in seven years.

A month ago, the Government disclosed that exports for the

first half of 1984 had surged by 49 per cent to just under HK\$100bn. This compared with imports up by 39 per cent to HK\$105.6bn.

In Peking yesterday, British and Chinese negotiators completed their 21st two-day session of secret negotiations on the future of Hong Kong with a statement saying the talks had been constructive.

China resumes sovereignty of Hong Kong in 1997, after Britain's lease on nine-tenths of the territory expires. The next round of talks is scheduled for September 5 and 6.

Why Peking refuses to let Mao's widow out of jail

BY MARK BAKER IN PEKING

CHINESE officials have indicated that Jiang Qing, Chairman Mao's widow and leader of the notorious "Gang of Four," will not be granted a wish to swap her prison cell for house arrest.

The Chinese Justice Ministry has said that Jiang Qing, 71, who has spent over three years in prison for allegedly plotting the overthrow of the Government and contributing to the deaths of thousands during the Cultural Revolution—is still refusing to repent her crimes.

Last May she was reported to have written to the Chinese leader, Deng Xiaoping, asking to be moved back to Zhongnanhai, the leadership compound in central Peking, under house arrest.

"I am too old to do anything. I think it is better to release me and put me under house arrest," the authoritative Hong Kong magazine, Cheng Ming reported her as railing one of



Jiang Qing

her daughters, Li Na, during a prison visit. "If I am released, I still want to live in Zhongnanhai. The air is fresher there."

Jiang Qing is held in isolated quarters in the Qin Cheng jail on the outskirts of Peking, where the three other Gang members are also imprisoned. She is allowed family visits and her own clothes and does not have to work, although she is required to clean her room.

In January 1981 she was dragged screaming from a Peking court after being sentenced to death. The sentence was suspended for two years, then commuted to life imprisonment. Official propaganda has continued to paint her as an unrelentingly defiant figure in jail. One rumour circulated that she had been put to work making cloth dolls, but she had embroidered her name in each one so that they could not be sold.

But Cheng Ming magazine has suggested a more plausible picture of a tired and ailing woman more defeated than defiant. It said that she had

told Li Na, one of two daughters born to her and Mao, that she maintained correspondence with Deng and with the Communist Party Secretary-General, Hu Yaobang.

"Deng Xiaoping and Hu Yaobang are reasonable people. They reply to me every time I write them letters. All my reasonable requests are granted," she was reported to have said. But a spokesman for the justice ministry, Lu Jian, indicated last week that the authorities were not contemplating any acts of mercy.

"The facts are clear. She is one of the most difficult people to reform," Lu said. "She is healthy but she is old, so we don't make her do labour. She cleans her own room, can watch television, listen to radio and has her own tape recorder. Family members and other relatives now visit her."

He said she was treated better than other prisoners. "She wears her own clothes. It is not true, as some Western reports say, that she has lost her hair. The idea of her sentence being reduced in the near future—let alone her being permitted to move back into the neighbourhood of the senior leadership—seems most unlikely. The Gang of Four has become synonymous with the ultra-Leftist evils of the Cultural Revolution and any softening of their treatment would undermine the official line."

According to Cheng Ming, some leaders were horrified by the idea of Jiang Qing moving back to Zhongnanhai and thought it would be like "letting a tiger return to the mountains."

It seems that she still has some habits which might upset her high-powered neighbours. "She always orders the guards about and even goes so far as to tell people to wash her underwear."

Indonesian spy sentenced

BY KIERAN COOKE IN JAKARTA

A SPECIAL military tribunal in Jakarta has sentenced a lieutenant-colonel in the Indonesian Navy to 10 years in prison for spying for the Soviet Union.

La-Col Sundryanto admitted during his trial to spying for the Soviet Union for six years, from 1976 to 1982. He had been arrested by military police in February 1982 along with an assistant to the military attaché at the Soviet Embassy in Jakarta.

During the trial, the prosecution said that Sundryanto, who worked in the Indonesian

Navy's mapping section, handed over films and documents to a number of Soviet contacts. These, it was said, included not only diplomats but also the Jakarta representative of the Soviet airline Aeroflot.

Documents handed over included details of a joint survey by the Indonesian and U.S. Navies on the Macassar Straits. There were also detailed photographs of both the Macassar and Malacca Straits, important ocean passages for the U.S. Seventh Fleet based at Subic Bay in the Philippines.

Afghans deny shelling claim

GENEVA — Afghanistan's Foreign Minister, Mr Shah Mohammed Dost, arrived yesterday for a third round of United Nations-sponsored talks on his country and denied allegation that Afghan troops had shelled Pakistan territory.

Pakistan has said it remains committed to the talks despite "border violations" by Afghan forces in which 49 people died last week. Afghan rebel forces fighting the Soviet-backed régime in Kabul said two more people died in shelling.

Rama Rao march banned

NEW DELHI — The Indian parliament was in uproar yesterday as police banned a street march by opposition groups protesting against the ousting of Mr N. T. Rama Rao as Chief Minister of Andhra Pradesh.

The row erupted when supporters of Prime Minister Indira Gandhi's ruling Congress (I) party claimed that several of the 162 state parliamentarians brought by Mr Rama Rao before President Zail Singh were "imposters."

Mr Rama Rao was dismissed a week ago when the state governor decided he had no legislative majority.

A police spokesman said permission for the protest march had been denied because it "would disrupt peak-hour traffic."

The march had been planned to end in a rally at which opposition politicians and Mr Rama Rao were to have spoken. Two supporters of Mr Rama Rao in the Delhi Parliament's Lower House yesterday sat down in front of the Speaker in protest against the Congress (I) charges. Congress and opposition politicians exchanged insults. Opposition groups staged protest demonstrations in nearly 300 towns Reuter

In summer, Nottingham University's hot water costs less, because it doesn't have to travel so far.

One thing that the student body at Nottingham University doesn't need in summer is heating. All the same, there's still a need for hot water.

In winter, the widely spaced residential halls, teaching and amenity blocks of the 300-acre campus are well supplied with hot water by a high-pressure main.

But in summer, when the heat demand is low, heat lost from the nine miles of hot waterpipes becomes disproportionately high, despite every effort to insulate the pipes.

The summer hot water demand of 2,500 kW made on the four fossil fuel boilers could be met adequately by just one boiler working at one-third capacity.

When heat losses of 1,200 kW are also taken into account, some 10,000 litres of oil a day would be needed to heat the water.

To reduce costs for the summer period it was therefore decided to install local electric water heating and shut down the boiler plant.

The installation work began in June 1980 and the system was fully operational by August.

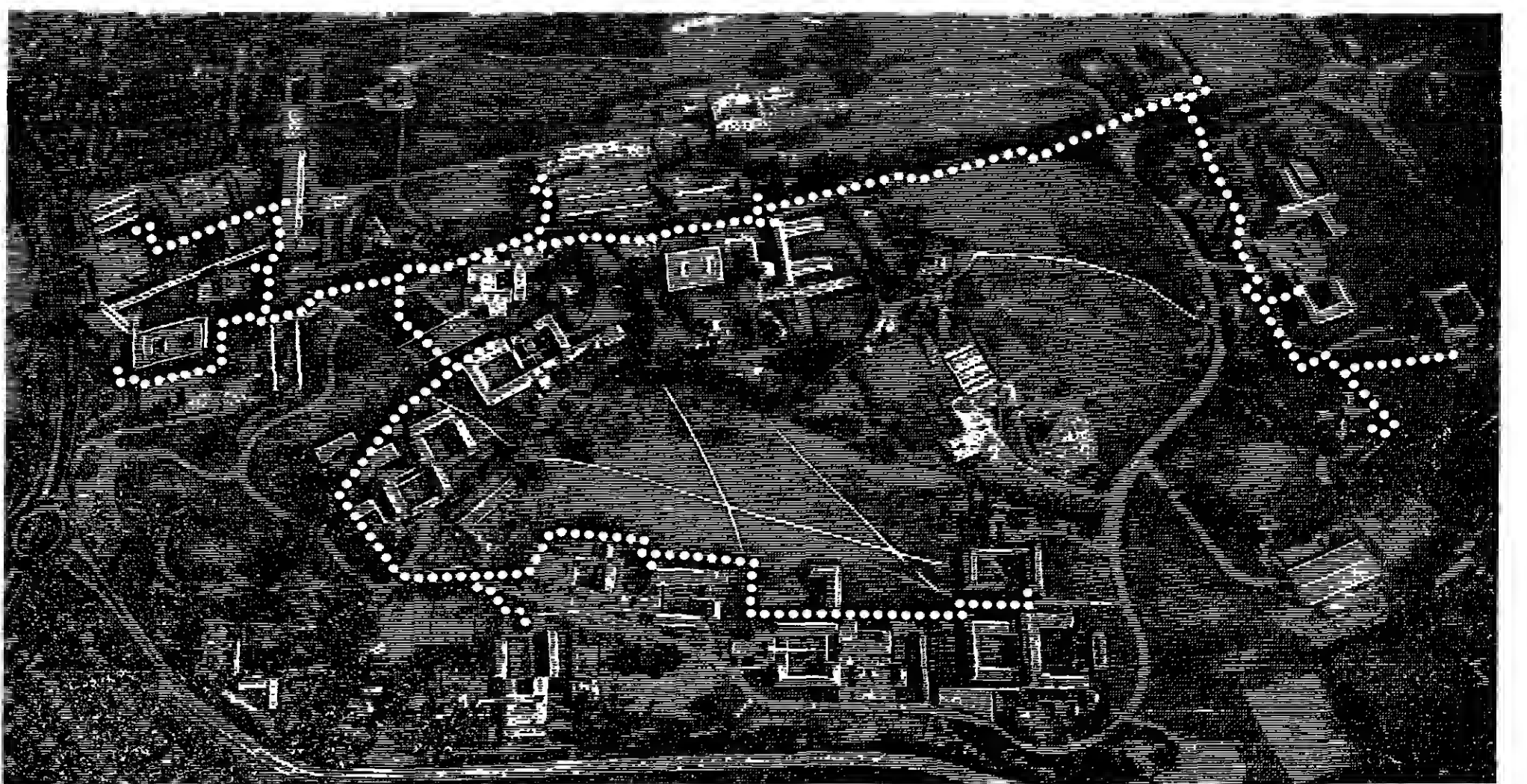
Immersion heaters were fitted to the calorifiers in each building except the amenity block which required a flow boiler.

A computerised control system maximises the use of the off-peak tariff, so much of the hot water is heated by low-cost, overnight electricity.

The good sense of electric water heating soon began to add up.

Formerly, the University's boiler plant operating below capacity for the three-month summer period cost £120,000 to run.

For the same period using electricity



Nottingham University's nine miles of high-pressure hot water main shown as dotted white line.

to heat the water there was a saving of more than £60,000.

The equipment cost, £28,000, was paid back in half the summer.

Today, electricity for summer water heating is a viable part of Nottingham's total system.

It has proved its worth in real money.

Additional benefits have also accrued from the summer switch to electricity.

For instance, the boiler house can now

be totally shut down in summer for routine maintenance.

The reduced operating season also makes for longer plant life.

Have you calculated what your boiler system is costing during the summer?

Changing to electricity now could save you a great deal of money and make your business more energy efficient.

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Please send me more information on energy-efficient summer water heating. Post to Electricity Publications, PO Box 2, Feltham, Middlesex TW14 0TC. Name, Position, Company Address, Post Code, Tel, C1380. PLANELECTRIC The Electricity Council, England and Wales



AMERICAN NEWS

Ferraro finds a sympathetic audience

By Nancy Dunne in Washington

MS GERALDINE FERRARO, the Democratic vice-presidential nominee, could not have selected a more fitting or sympathetic audience for her first public showing yesterday after her two-hour ordeal by press on Tuesday when she answered questions about her family finances.

Arriving at a meeting of the American Federation of Teachers Unions in Washington, she appeared in the doorway behind a phalanx of cameras to burst in wild applause from the audience. "I kind of feel as if I've come home," said Mrs. Ferraro, a former public school teacher and an early member of the union. "Today is the first day of the rest of the campaign, and we're going to return to a discussion of the issues."

She then launched into an attack on President Reagan's cuts in federal educational funds and promised the teachers that the Democrats would pursue "a strategy for excellence in education." She mocked the Republican convention in Dallas as "lacked in a time machine—all they can talk about is 1980... We'll give them Dallas just for today, November we'll take the country."

Mrs. Ferraro clearly hopes that the controversy over her finances, which has plagued her campaign, has been laid to rest by her performances on Tuesday.

The reviews coming in from the press were encouraging. The New York Times wondered why her husband had been reluctant to discuss his very respectable tax returns and concluded: "There is nothing in the records now revealed suggesting any abuse of his (Mr. Zaccaro's) close relationship with her. Nor is there even a hint that she ever betrayed her public trust or wrongly profited from public office." Mrs. Ferraro's treatment, however, were not completely at an end. On Tuesday night her press secretary, Miss Patricia Bario, resigned, saying she was frustrated with the campaign's disarray. It was "two of the worst weeks my campaign has ever had," she said.

Mexico believes embattled governments must talk to rebel opponents. David Gardner reports Mexico treads warily through C. American battlefields

SENIOR Mexican officials have gone out of their way in recent weeks, both publicly and privately, to deny categorically suggestions that Mexico has tilted towards Washington's view of the conflict in Central America.

Suggestions largely emanating from U.S. Administration sources, that Mexico has hardened its attitude towards the Left-wing Sandinista Government in Nicaragua and the FMLN guerrillas seeking to overthrow the right-wing government in El Salvador, have been strongly refuted.

In fact, the U.S. orchestrated failure which has greeted the supposed changes in Mexican policy appears to be having the opposite effect, interrupting the normal evolution of Mexico's view of the region.

Mexico's plans to further upgrade its diplomatic relations with El Salvador, for example, which after this year's election of President Jose Napoleon Duarte would almost certainly have led to an exchange of ambassadors, have now been shelved.

The suggestions have at their most concrete sought to establish a quid pro quo link between the presence of Sr Bernardo Sepulveda, the Mexican Foreign Minister, at the June inauguration of President Duarte and the almost simultaneous opening of direct contacts between Washington and the Sandinistas.

The fall off in Mexican oil deliveries to Nicaragua has also been seen by some observers as a further sign that Mexico is re-



President Miguel de la Madrid

considering its position on Central America.

Most of the available evidence as well as Mexico's hot protests, however, nevertheless suggests that it has not shifted its ground, but is attempting to cover perceived gaps in its existing policy.

This policy has been to promote a negotiated solution to the region's wars. The Mexicans, with their own bitter experience of revolution and civil war at the beginning of the century, believe that Central America has become a battlefield because of "economic deficiencies, political backwardness and social injustice"—to quote President Miguel de la Madrid's carefully chosen words to the U.S. Congress on his visit to Washington in May.

The Sandinista 1979 revolution was nationalist in inspiration, the Mexicans believe, and there is no intrinsic reason why they or the region's other insurgents should present a security threat to the U.S. or their Latin American neighbours.

Mexico has been promoting a negotiated solution to the region's wars. With their own bitter experience of revolution and civil war at the beginning of the century, Mexicans believe that Central America has become a battlefield because of "economic deficiencies and political backwardness."

Revolutionary Democratic Front (FDR) has since then operated largely out of Mexico City.

Mexico has taken considerable steps from Washington's allies in the region, in particular from Honduras, for its alleged bias towards the Sandinistas.

Conscious that this image was weakening its chances as honest broker to all parties, Mexico has sought to strengthen its links with those governments suspicious of its intentions. It has had notable success in the case of Guatemala, and has improved relations with El Salvador.

Mexico moved to upgrade its mission in San Salvador as early as March last year, appointing a highly-thought-of diplomat as "councillor." The ambassador had been withdrawn in 1980 after the killing of a Mexican journalist. The Mexicans were also concerned both at their lack of reliable information and contacts in El Salvador, and that other regional powers such as Venezuela would step in to fill the vacuum.

The election of President Duarte provided the opportunity to take relations a stage further, as well as clearly changing the



Sr. Bernardo Sepulveda, Foreign Minister

political shape of the Salvadoran conflict. The Mexicans nevertheless insist that their decision to attend Sr Duarte's inauguration at Foreign Minister level was a decision taken by all four Contadora countries, and hence within the peace-seeking aims of the group.

The oil question is more confused, Mexico's commitment to supply oil to Nicaragua and other regional countries at concessionary rates falls within the terms of the recently renewed San Jose Pact it operates with Venezuela.

Venezuela late last year suspended shipments to the Sandinistas, claiming it was owed \$30m. At about that time, there are indications that U.S. suggestions that Mexico is getting "on team" are having an inhibitive effect.

More top Brazilian officials resign

By Andrew Whitely in Rio de Janeiro

THE SHAKE-OUT in the Brazilian Government of officials opposed to Sr Paulo Maluf, the ruling party's chosen successor to President Joao Figueiredo, broadened yesterday in the wake of Tuesday's resignation of Sr Joao Camilo Fenna, the Industry and Commerce Minister.

A swathe of top officials in the Industry and Commerce Ministry have departed, as has the president of Acetate, a state-owned steel company.

They decided to leave office voluntarily, rather than face dismissal for their refusal to back Sr Maluf, the official candidate for the forthcoming presidential election.

Further resignations are expected from the Agriculture Ministry, which is deeply divided into factions, either supporting rivals in the succession race, or else vowing their positions to warring political chiefs, such as Sr Aureliano Chaves, the vice-president, and Sr Antonio Delam Netto, the Planning Minister.

The departure of Sr Camilo Fenna removes a senior official who had long been a close adviser to Sr Maluf and his appointment as a clear indication of the grip the presidential hopeful is steadily gaining over the government's machinery.

His replacement, Sr Murilo Radara, who took office yesterday, said he would not allow the ministry to be used to support any particular presidential candidate. But he said he would adopt all "the political actions which sustain and ethics permit" to ensure the victory in the electoral college of the ruling Partido Democratico Social's candidate.

Blancos to run without Ferreira

By Martin Anderson in Buenos Aires

URUGUAY'S main opposition party, the Blancos, is set to nominate today another Presidential election candidate at a hastily convened convention.

The leader expected Sr Guillermo Garcia Castro, 52-year-old wealthy landowner, to be chosen. He is a close colleague of Sr Wilson Ferreira Aldunate who reaffirmed yesterday his earlier decision not to participate in the November election.

The decision by the charismatic 65-year-old former senator not to participate in the first presidential contest for 13 years was taken from a jail cell where he has been held for the last two months by the military

regime. Last week, Sr Ferreira who has been stripped of his political rights by the generals, let his followers know he would not be a candidate in the National elections called for November 25.

However, on Sunday his centre-left Blanco party's convention decided on a 293-2 vote to reject Sr Ferreira's withdrawal, and present the military with the choice of either accepting his candidacy, or effectively scratch the party from the electoral register.

It is now likely, however, that the party will head Sr Ferreira's call for participation in the November contest. He has suggested that participation be contingent on a continuing rejection of the terms set by the military.

Colombia truce signing today

By David Gardner in Mexico City

COLOMBIA'S much-postponed ceasefire agreement between the government of President Belisario Betancur and left-wing guerrillas is to be signed today.

The interim, rebel forces say the government must lift martial law, bring the army and paramilitary squads associated with it to heel, and end the recent wave of arrests in and around areas of guerrilla influence.

The ceasefire accord, with the left-wing nationalist M-19 guerrillas and the Maoist Popular Liberation Army, is intended to end a 25-year-old insurgency in exchange for promises of agrarian and political reforms.

Consumer prices in U.S. rose by 0.3% in July

By William Hall in Washington

U.S. CONSUMER prices increased by 0.3 per cent in July, giving an annual rate of increase over the past 12 months of 4.1 per cent, the Labour Department reported yesterday.

The rise, following the 0.2 per cent increase in each of the previous two months, was slightly higher than market expectations. However, it does not mark any major change from the slower inflation figures of recent months which have been contributing to the more confident mood in the U.S. financial markets.

Moderate increases for most major categories of consumer spending in July were partially offset by a decline in transport costs. Lower prices for gasoline and used cars led to the second consecutive monthly decline in the transport component of the index.

Tristram Riley-Smith on Thai ambitions to join the Indian and Pacific Oceans

The Kra canal gets a nuclear boost

MANY nations have their eyes on the Kra Canal for Thailand—a gateway cut through the southern isthmus that would carry oil and cargo between the Indian and Pacific Oceans, by-passing Singapore.

U.S. officials confused over textile curbs, HK delegates claim

By David Dodwell in Hong Kong

U.S. TRADE officials are in confusion about the form and content of new regulations intended to tighten curbs on textile and garment imports from September 7, Hong Kong trade negotiators said yesterday.

Emerging from two days of discussions aimed at persuading the U.S. Administration to rescind the new import rules, Mr Hamish Macleod, Hong Kong's Director of Trade, said he was disappointed that he had won no positive response from the U.S.

Hopes had been raised that the U.S. might be willing to compromise, following reports attributed to the State Department that "modifications would be made if necessary." These followed a protest letter from Zhang Wenjin, China's ambassador in Washington, which claimed that the new U.S. rules would "constitute a clear violation" of bilateral trade agreements, and the Multi-Fibre Arrangement (MFA).

Rolls-Royce Qantas sale backed by ECGD

THE EXPORT Credits Guarantee Department has guaranteed three loans totalling \$43.3m which will help finance the sale by Rolls-Royce of Derby 12 RB211-224 D4 engines and spare equipment for installation in three Boeing 747-300 aircraft to be supplied to Qantas Airways of Australia. Our World Trade Staff reports.

The loans which form part of a lease package arranged by Alcco Leasing of Sydney, are being arranged and provided by Lloyds Bank International to Charterville Leasing of Canberra, which is purchasing the aircraft to lease to Qantas.

British Aerospace has awarded a \$24.4m (£15.5m) contract to Hawker de Havilland of Australia for the sub-contract manufacture of wing-box ribs and main undercarriage fairings for 300 Airbus A-320 airliners.

This is the biggest contract let so far outside the main Airbus A-320 partner companies to others for participation in the new 150-seater airline venture. Hawker de Havilland will start deliveries of the ribs in June 1985, and the fairings in 1984.

The A-320 is the latest development from the European Airbus Industries consortium, for a 150-seater for delivery to airlines from 1983.

Ford UK wins Australia order

By John Griffiths

FORD OF Britain has won a \$4m order to supply 464 Transit vans to the Australian Post Office. The Australian utility has bought Transits before—its last purchased some in 1980—but for the first time the vehicles are to be shipped fully-built from Ford's Southampton plant.

Previously, Ford had supplied kits which were then assembled by Ford Australia using locally-sourced power trains.

Ford has also secured a \$450,000 order to provide UK-built Transit vans and Cargo trucks to the Sudan police. It is part of a £125m order placed by Sudan with Ford of Europe.

Daewoo signs \$95m ships deal with India

BY ANN CHARTERS IN SEOUL

DAEWOO Shipbuilding and Heavy Machinery has signed a \$95m (£73m) contract with Shipping Corporation of India to build six 25,000 tonne vessels for transporting edible and refined oil. The contract has to be approved by the Indian Government. Delivery is specified for April to September, 1986.

New export orders for the first seven months of the year to South Korean shipyards totalled 53 vessels with 1,125,000 gross weight tonnes valued at \$98m. This is a 20 per cent increase in volume, but a 4 per cent decrease in value compared with the same period last year largely because this year's orders included more bulk carriers and tankers which are cheaper than other types.

Hyundai had 15 vessels valued at \$377m, and 700,000 GWT in new orders, as of the end of July while Daewoo had 13 vessels valued at \$219m and 274,000 GWT.

Japan fails in bid to cut silk imports from Taiwan

BY ANTHONY MORETON, TEXTILES CORRESPONDENT

JAPANESE attempts to cut imports of Taiwanese silk products by 10 per cent have been rejected by the Taiwan Silk Weaving Industrial Association.

Japan, whose silk industry is facing serious problems, sought the restriction because it claimed the imports were "impairing" the industry.

But the Taiwanese authorities refused to trim their exports from 7.7m sq metres to 1.53m sq metres this year despite discussions which lasted for almost a week.

Talks on the issue are now to be resumed in Tokyo in December.

Taiwan is the third largest silk exporter to Japan after China and South Korea, the second most important producer of raw silk in the world. It is that industry has been in

French secure Saudi contract

By David Marsh in Paris

SOCIETE Generale d'Entreprises, the large but loss-making French public works group, has signed a FFr 900m (£77m) Saudi Arabian order to construct and equip three hospitals in the Kingdom.

The contract is for 100-bed hospitals to be built at Jeddah, Bahra and Domat al Jandal over two years.

The order, the second such contract for SGE this year, comes at a crucial time. The company, in which nationalised engineering-to-glass conglomerate Saint Gobain took a major stake last year, suffered a net loss of FFr 490m in 1983.

Ballast Nedam Groep said it received an order worth \$90m from the Saudi Arabian Ministry of Finance and National Economy to build customs facilities.

E. Germany cuts trade deficit with W. Germany

EAST GERMANY slashed its imports and stepped up its exports in trade with West Germany in the first half of this year, reducing its deficit in the economy ministry said yesterday, AP reports from Bonn.

East Germany's imports from West Germany dropped by 19 per cent in the first half of the year, to about DM 3.5bn (£916m), the Ministry said.

At the same time, East German deliveries to West Germany rose 12 per cent to DM 3.6bn, the statement said.

East Germany's total debt in inter-German trade sank from DM 4.1bn in 1983 to DM 3.6bn in the first six months of this year, the Economics Ministry said.

The East Germans expanded deliveries of machinery and electrical equipment and sold more consumer goods such as clothing and wooden products

W. Germany cuts trade deficit with E. Germany

WEST GERMANY sharply cut imports of iron, steel and non-ferrous metals.

The overall volume of trade exchanges between the two Germanys in the first half of 1984 was about DM 7.5bn, an expansion of 1.8 per cent on the last half of 1983.

Inter-German trade is excluded from West Germany's foreign trade account which for the first six months of 1983 showed a surplus of almost DM 20bn.

West Germany's Kraftwerk Union AG is banking on Chancellor Helmut Kohl's planned visit to Peking in October to tip the scales in its competition for a Chinese nuclear reactor project valued at several billion dollars.

The power plant-making subsidiary of Siemens AG is vying for the Chinese contract for two 1,000-megawatt pressurized water reactors.

WORLD TRADE NEWS

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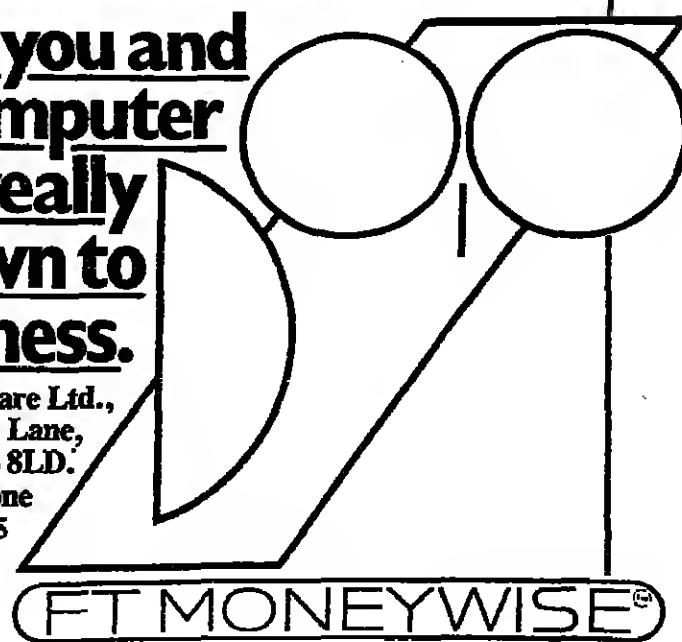
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# MANAGEMENT: Marketing

TWENTY YEARS ago, as an eager young executive, I was nearly fired from my company for asking an important visiting corporate lecturer, who had liberally alluded to the then new theory of product life cycles, whether he would care to comment on what phase of its life cycle the wheel was at; it seemed to me that the Hovercraft was the first transportation device since skis that had not actually increased the market for wheels.

The question had appeared entirely reasonable to me, but I was metaphorically doubled to the guardroom for arrogance and impertinence, and my query remained unanswered.

The theory had been launched at the illustrious Harvard Business School, and spawned several articles and books. It was immediately clutched to the bosom of business and marketing academics, advertising agency executives, and a wide variety of managers eager to demonstrate their "professionalism." In no time flat, it passed unchallenged into marketing folklore.

Two decades on, it is all too clear from practical experience that the theory holds no water, and indeed several Harvard academics have recently recanted their previous belief in it. Yet despite all the evidence that the theory was nothing more than marketing "newspeak," it remains widely respected and quoted. Not only that, it has been expanded and built on. In both business and government, planning is actually taking place on the basis of "industry life cycles."

In a nutshell, the theory said that products demonstrated lifespans which typically passed through identifiable "phases"—the launch phase, the growth phase, the maturity phase, the decline phase, and ultimately the death phase. The time-scale of these phases would be variable between products, but the proper recognition of where a product stood on this path would enable managers to abstain from unproductive investments at the wrong time, and thus maximise the available profit over the product's effective life.

It is at first sight a beguiling concept, but it does not stand up to even perfunctory examination. Not only is the theory wrong, it is dangerously wrong, in that it promotes a deeply negative approach which is the very antithesis of entrepreneurial management.

No one will deny that products live and die. No one will deny that you can then chart the path followed by the deceased product and recalculate how you could have rung up a maximum score on the available profitability over the product's lifespan. But this is merely his-



## Is the theory of life cycles pure humbug?

Rex van Rossum says it is...

torical observation.

The glaring fallacy is the underlying assumption that death is inevitable, that the cycle is ultimately governed by predestination, that it can only be marginally influenced by management, and that resurrection can be, at best, temporary.

Products are not like people—they die not of old age. They die of neglect—marketing and management neglect. This can come in many guises. It may be neglect through lack of financial support, through lack of concentrated attention, by lack of priority, lack of goals, lack of belief, lack of imagination, lack of talent, or lack of intestinal fortitude.

If you dismiss the example of the wheel as unfair because it is generic (like food), then look at brands. A mere glance around the retail shelves will give the lie to the life cycle theory. Many of today's leading brands are almost as old as branding itself—Kellogg's Corn Flakes, Coca Cola, Colman's

Mustard, Perill, Bovril, Horlicks, Stork margarine—and a host of other death-defying products.

Of course, they all have their ups and downs. They are threatened, attacked, pushed back, revived... but who would predict their death? Who would identify some predestined path for them? If any of these great brands were to disappear, can anyone seriously postulate that it would be due to some marketing inevitability, rather than to the competence of those managing the products, and of course, their competitors?

What, anyway, is the product? Is it this year's model of the Hoover washing machine, the Ford car, or the Sinclair computer? Or last year's? Or next year's? Is it Schweppes tonic or the skintone? Is it Martini Rosso or Bianco? Is it the Gillette Technicam or Gil? Or is it the trademark itself? What price the life cycle of a trademark?

Shortly after the first article

on life cycles, the Harvard Business Review published a follow-up piece entitled "Make the life cycle theory work for you."

The essence of its message was that marketers could defy gravity and prolong the life cycle by product innovation. Yet it is innovation—in the wider sense of the process of developing good ideas—which renders the life cycle concept redundant before it starts. The products, from soft margarine to intercontinental missiles, need to be kept abreast of consumer needs, tastes, and aspirations, or their competitors will destroy them. This requires a constant search for new ideas, technological improvements, and positive imagery. This is less an art in marketing; when you have said "do not let your product become outmoded," have you said all there is to say?

The history of marketing is littered with success stories of products that would have been written off long ago if the life cycle theory had been the basis of their management. They were launched, and have survived, simply because of the application of a good idea. It might have been in the R & D department, the advertising agency, the boardroom, or the shopfloor. But an idea.

Not only that, good ideas kept on coming. This is the "secret" of Persil's survival: it has consistently fought off competitors' attacks and initiated attacks on its opposition by making technological advances and adjusting its image.

In many ways the life cycle theory is nothing more than just another piece of hindsight. It commits the cardinal error of making historical observations and dressing them up as predictive technique. There is nothing wrong with studying history and learning from it. But it is much more positive to examine how success might have been achieved by creative action than to calculate how things would have gone had it been made if all expenditure had been cut at the optimum milking point.

What offends one most about the still persistent adoption of the life cycle theory is that it dresses it up in all the paraphernalia of academic dignity, that flies in the face of good management.

As Anton Rupert, the founder of the Rothmans group, once said: "There are three kinds of marketing man to beware of: the super-optimist, the super-pessimist, and the know-all."

The author is a former marketing and sales director of Rothmans and was chairman of the British Marketing Society. He now runs his own consultancy.

### Advertising

## An unorthodox bid to sell space

Frank Lipsius on the controversy provoked by America's third largest daily

WHEN THE national daily USA Today went international on July 10, Europeans got a chance to see a daring new publication that, in the advertising world at least, has been making headlines as much as reporting them since it began in September 1982.

Designed for the modern world with four-colour pages and short news items, USA Today has had steady circulation gains that already make it—with 1.3m readers—the third largest American newspaper, after the Wall Street Journal and New York Daily News.

The circulation growth indicates that the paper's popularity, though the company will not say how sales are holding up in original outlets where initial curiosity may have worn off.

The advertising community has not questioned the paper's circulation claims or advertising statistics though it is sceptical on other grounds, as was chronicled in a New York Times article entitled "The Ad Woos at USA Today."

The Times article described USA Today's "stubborn, complex marketing problems ranging from confusion over whether it is a newspaper, a magazine or something in between, to scepticism about who reads the paper, how often they read it and how loyal these readers are."

A month later, USA Today answered the questions in a startling series of ads that it must hope will now set an example for its own advertisers to follow. For one week earlier this year, USA Today was all over the New York Times, one day the centre-page of one section, the next in full-page ads on the back of every one of the Times' four sections. On the Sunday, USA Today took the centre-page of the colour supplement, in all spending almost \$1m in a month.

The copy for the ads was as startling as its placement in a daily newspaper, since it addressed Madison Avenue—potential advertisers—and not potential readers.

One of the ads (illustrated) showed a rooster with a fish tail that accompanied the bold copy: "A lot of media people are saying USA Today is neither fish nor fowl. They're right!"

To our readers, we're a newspaper—bold, exciting,

**A lot of media people are saying USA Today is neither fish nor fowl.**

**They're right!**

**USA TODAY**



One of a series of ads aimed at Madison Avenue. Says its creator, George Lois: "The media love sharp sassiness"

ing colourful and unique. To many of our advertisers, we're a newsmagazine—bold, exciting, colorful and unique. The truth is, we don't much care what you call us. Just as long as you call us.

The ads were the work of George Lois, an advertising man of 32 years' standing, who is handling the account thanks to his own enthusiasm for the product. He got it over lunch with USA Today publisher Cathleen Black when she was approaching Lois to place ads for a financial services client of Lois's company, Lois Pitts Gershon Inc. Over lunch, Lois waxed so enthusiastic about the paper itself that Black asked him to bid for the account. The \$2m account switched so fast that the major thrust of Lois's

campaign appeared within the month.

Recognised as something of a media specialist, though he has done many things, including the design of Esquire magazine covers for almost a decade, Lois considers his colleagues a special challenge.

"Madison Avenue is frightened by a new idea, especially a new media idea. They also understand that an ad has to be as exciting as the product it is promoting. It has to be unusual, fresh. The media love sharp sassiness. I wanted to cut through the silly arguments and somehow mirror the feeling of the paper so people would jump."

He purposely violated the rules of the business, knowing it would be noted, if only to

be argued about. The colour supplement that ran that day—turned lengthwise to read, long considered an advertising no-no. One ad had a long list of comments about USA Today, including some negative ones like that of Ben Bradlee, executive editor of the Washington Post, who said in the middle of the ad: "If it can't [qualify among the top newspapers in the country], I'm in the wrong business."

"People wanted to know why there were the negative comments, and I said, 'Why? So they'd ask the question, that's why they criticised the ad, but you know they read every word. The advertising community give credit for good work. In a way they are the easiest to sell to because they want to be won over. Madison Avenue is pushing us now instead of backbiting.'"

Without the paper's willingness to reveal figures, Lois's claims cannot be substantiated, but he found no one to demur in a recent creative and media review session with USA Today executives, in which he said: "Some media hold-outs have been won over and many others are on the brink. Media planners are beginning to put USA Today in their plans with less fear of clients questioning why, in fact, quite a few non-New York clients are asking their agencies why USA Today is not on the schedule!"

His own financial client, which got him the USA Today campaign for next month which will try to be as surprising and informative as the April work, this time putting in testimonials of satisfied advertisers—"more than anything else, the fact that advertising in USA Today is worth it."

Newspapers may want to argue the point with Lois, it not because of the competition USA Today represents for national advertisers—like car rental, cigarette and airline accounts—but for a possibility that George Lois will spend \$1m making ads to refute the article, as he did in the New York Times.

### TECHNOLOGY

#### INNOVATION AND INVESTMENT

## Cambridge—the home of high tech

CAMBRIDGE continues to further its reputation as Britain's most outstanding growth area for small, technology-based companies.

According to a recent survey, the city is home to about 300 enterprises, many of whom are formed over the past decade. Property developers are taking a new interest in providing accommodation specially built for this type of company.

Chimstone, a property company in London, is to construct on the Cambridge science park a building split into small units. Most of the work space, of about 500 sq ft, will be leased to up to 40 small enterprises in areas such as software and electronics.

The building, part of a £2m development, should be finished by September next year, among the tenants could be Cambridge Consultants, a contract-research company based on the science park, which may lease laboratories and offices for use by subsidiary organisations.

Chimstone will provide a central area for activities such as secretarial help that the tenants of the building can share. Companies will rent the units on flexible terms, or leases as little as a year.

Elsewhere in Cambridge, JT Design-Build, a building company based in Bristol, and Sheraton, a property developer, are joining forces to construct another set of units for small, "high-technology" enterprises.

In a £12m scheme, the organisations are providing 200,000 sq ft of work space, roughly half of which will be new offices for Cambridgeshire County Council. The rest will accommodate for fledgling companies, which will become available in phases over four years. Half the units should be complete by the end of 1985.

Mr Edward Smyth, marketing director of JT Design-Build, said the demand for space in the high-tech accommodation was "staggering."

"We hope to let the building to up to about 75 tenants but if the demand is anything to go by, we will be oversubscribed."

Mr Smyth has received inquiries from people wishing to start their own companies, for instance computer experts who have just graduated from Cambridge University, together with enterprises that are based already in the city and wish to expand.

In an unusual feature, some of the work units will offer not just a laboratory and office space but living accommodation for researchers. "I understand that some of the people who run these type of companies like to work virtually 24 hours a day—this will give them a chance to live near their place of work," said Mr Smyth.

The Cambridge science park itself, on land owned by Trinity College on the outskirts of the city, is starting a fourth phase of development which will add a further 26 acres to the 84 acres now built upon.

The park has 40 tenants, ranging from large companies in areas such as lasers and pharmaceuticals to a fledgling concern that sells meteorological hardware.

Such is the demand for accommodation that the fourth phase will be completed within a couple of years, estimates Bidwells, the estate agents in Cambridge that manages the science park.

Tenants on the site may choose to construct their own buildings. Alternatively, they lease them from Trinity College which has spent about £3.5m on the development over the past decade.

#### TEN YEAR AUTOMATION PLAN AT GREENOCK FOR FLEXIBLE MANUFACTURING

## IBM puts its robots to work

BY PETER MARSH

"WE SEE automation as a 10-year project—we're six years into it so far. You have to think in these terms to take a sensible view of the subject."

So says Mr Bob Beatty, technical operations manager at IBM's factory in Greenock, near Glasgow. A decade ago, the plant turned out, with an accent on manual assembly techniques, a wide variety of computer-related products.

Today, the factory concentrates on a much narrower range of families of items such as terminals, display screens and keyboards. IBM is steadily introducing to the plant robots, or computer-controlled arms.

The factory produces goods in high volumes—up to 5,000 a day of one item. Total production is worth about £700,000 annually.

In the past decade, estimates Mr Alex Wilson, the plant director, the Greenock factory has increased output (measured in terms of units) tenfold—without significantly changing the number of employees, which now stands at 2,700.

Mr Beatty's strategy on automation has three main features. First, it focuses on what is perhaps the most difficult area in which to introduce automatic machinery.

This is the assembly in a flexible fashion of products, parts of which may change from day to day to suit the needs of different customers. Due to the difficulty of automating this kind of process, such jobs are usually done by hand.

At its Greenock plant, IBM was forced to tackle this area by the very nature of the factory operation. The plant receives components from about 2,000 suppliers (most of them in the UK) and puts them together to make finished products.

The components range from screws and pieces of wire to plastic trays and computer boards inset with electronic parts. In a vast, computer-controlled warehouse, the factory keeps stocks of up to 20,000 different parts for its assembly operations. When the plant is at its most hectic, some 200 tonnes of material an hour pass through the warehouse.

To automate some assembly techniques, IBM has installed at Greenock 30 or so small robots. Most of these are machines of the company's own design that it also sells to outsiders.

The accent on the automation of assembly operations is part of a trend evident in other IBM factories around the world. Of the 1,000 or so robots in these plants, about half are doing assembly jobs.

These machines must be sensitive and accurate enough to do fiddly tasks, for example the insertion into a printed circuit board of an electronic component such as an integrated circuit.

In contrast, most robots in industry work in areas where brute strength is the key factor. Such machines, for example, weld parts of cars or lift items in and out of machine tools.

The second part of Mr Beatty's plan concerns product design. Some 45 of the manufacturing engineers on his staff spend much of their time in IBM's product-development laboratories around the world. They liaise with product designers to ensure that the goods that IBM wants to sell can be made easily with automated techniques.

According to Mr Beatty, to design a process so it lends itself to automation is a bigger engineering challenge than to devise a new product.

In their discussions with product designers, Mr Beatty's staff would, for example, minimise the number of different types of components such as screws that are part of a single product.

They might also halt attempts to introduce into an item of equipment a particular type of plastic which, though it might look pleasant, could cause problems in the production stage.

Personal visits to development laboratories are supplemented by computer links between Greenock and 33 other IBM locations around the world. In the Scottish plant's video-conferencing studio, engineers can send and receive blueprints of new products or details of manufacturing processes.

The emphasis on design of products extends to the companies that supply Greenock with components. Mr Wilson says he spends "a lot of time and investment" in ensuring that the design of these companies' components fits in with IBM's overall thoughts on automating processes.

In the third thrust of IBM's strategy at Greenock, engineers are introducing into the plant "islands of automation"—dense arrays of computer-



Robots such as this £100,000 gantry mechanism are making an impact at IBM's computer plant in Greenock. The engineer here is demonstrating the machine's ability to insert rings around pistons for a car engine.

controlled machinery such as industrial robots which put together products. Manual intervention is kept to a minimum.

The line assembles four relatively small parts of the overall manufacturing operation. But according to IBM's plan, they will gradually be linked to encompass larger areas of the factory activities.

One such island, recently installed, is £1.5m computerised production line to turn out small boxes called power-logic units. The units provide the processing hardware and power supplies for display screens, the sort that could be fitted to a microcomputer or terminal.

The line assembles four components, all transported to the factory by contractors. The components are the two halves of the plastic cover for the box; an electrical package that connects the unit to a power supply; and an array of chips on a plastic card.

In this project, engineers from Greenock worked with IBM colleagues from a laboratory in Raleigh, North Carolina,

in which the power-logic unit was designed. As a result of the work, technicians set up earlier this year at Raleigh a smaller production line to make the same product.

When it is fully operating next year, the Greenock line will work 24 hours a day, producing in this time 1,500 power-logic units. The array of hardware contains nine robots, six made by IBM, two by Cincinnati Milacron of the U.S. and one by Fanuc of Japan.

A set of conveyors channels the four components between the different robots. Engineers designed the power-logic units so that robots could make them. For example, a robot picks up a card containing the chips and slides it into the lower half of the cover, into which the card clips without the use of fasteners.

In a similar operation, another robot fits into place the power package before the top part of the cover is positioned. At another robot work station, a laser engraves onto the

exterior of the box a set of serial numbers. This is more straightforward than sticking on to the units labels that contain the same information.

Just two screws, supplied to robots with special feeding systems, are required to hold together each unit. The robots either insert the screws into holes in the components; or supply the fasteners to a special turning mechanism.

Just five people will be needed to supervise the production line when it is fully operating. To make the same number of components with manual techniques would require about 20 people, says IBM.

In a second "island of automation" at the Greenock plant, an array of five IBM robots helps in the production of a family of keyboards that are made in different formats. Depending on the format, the robots press into sheets of mylar between 25 and 127 plastic buttons that form the keys of the mechanism.

Engineers can quickly command the robots to put into place buttons for different keyboards. They do this by changing the programs that control the machines.

Once again, Greenock's engineers had to liaise with others in an IBM development laboratory (in this case in Lexington, Kentucky) to ensure that robots could cope with making the hardware.

For example, most of the buttons in the different families of keyboards are identical so they can be handled by identical robot grippers. Letters and figures are impregnated onto the buttons, in a printing process, after the robots have arranged them on the sheet of mylar.

In other stages of keyboard assembly at Greenock, people fit components manually. Later this year, however, IBM is introducing to the keyboard plant (which makes 2,500 devices a day in two shifts) a second robot button-pressing line. This system will cost £600,000.

The company also plans to introduce to the final assembly stage of keyboard production another IBM robot. This will fit to the base plate of each keyboard the buttons and the series of switching devices that connect the buttons to electronic components.

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### Computing

## Automated solicitors

CONVEYANCING is often an important part of a solicitor's business. Now, technology, in the form of a computer program, is making this work more cost effective by adding a measure of automation.

The program from Technology for Business in London, is basically a way of storing details about a house transaction and retrieving the information. The user is guided through the stages of a conveyance and prompts the generation of all necessary letters.

Conveyancing Partner, as the program is called, is intended as a complement to Technology for Business accounts software for solicitors. More details from the company on 01-537 1271.

### Weighing

## Electronic scales

ELECTRONIC weighing systems for use in the food, cement, metallurgical, paper and chemical industries has been launched by Siemens. The SWS 2 and SWS 300 can be connected to process control equipment, for example. More details from the company in Sunbury-on-Thames on 0327 85691.

### Energy

## Industrial boilers

COMPACT boilers for the small industrial users of steam have been introduced by McEwen Boilermakers of Gwent, North Yorkshire. Known as the Z-series, the boilers come in five sizes with steam outputs up to 2,000 lbs/hour. More details on 0535 34624.

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Orion/Edinburgh Festival

Andrew Clements



Lillian Watson (left) as Amor and Ann Howard as Venus

Welsh National Opera planned a flying visit to Edinburgh for single performances of The Greek Passion and Parsifal...

This is the second Cavalli opera to enter Scottish Opera's repertoire and no doubt the company hoped to reproduce the success it had over several seasons with John Cox's production of L'Ecisto...

attractive music of the opera. But whatever its prominence there is no doubt this Orion is too long—three and a quarter hours with intervals and its action slow, arbitrary and long-winded...

Howard that does not quite go far enough over the top to produce a genuinely funny vamp. Otherwise the singing is consistently efficient rather than inspired...

American exhibitions and artists this year. The MJO disbanded in the 1970s and reformed with the same personnel a few years ago...

Salzburg sound without vision

The new productions of the 1984 festival have been of Berio's opera (reviewed here on Tuesday) and Macbeth, Ezio Frigerio's Verdi designs all the vast spaces of the Grosses Festspielhaus...

placed. But the overwhelming lack of real alertness, real imagination infects everything he says or does—and surely it cannot be a great artist who breaks out of character to acknowledge applause for "Pieta, rispetto, amore"?

side his normal operatic round, yet strangely—or predictably, depending on your point of view—the scent and heat of genuine operatic excitement so often goes missing from Salzburg's lavish parade of works.

fashion, may have permitted such a sensation to increase; so likewise the move-by-rote actions of Stadtpiaza and its employees as mapped out by Karajan—the producer.

Max Loppert reviews Macbeth, Rosenkavalier and von Karajan. Linn's Macbeth was crassly loud. Riccardo Chailly's conducting of the Vienna Philharmonic, by contrast, provided the one worthy musical contribution of the evening—rich in awareness of the special colour and numerous life-giving details of the score...

heard marvel upon marvel of Straussian exuberance string textures luminously soft and sumptuous, wind parts darting beneath the voices like threads of silk, brass full but never heavy.

The much-admired 1982 Cost for tutte in the Kleines Festspielhaus disappointed me. Its ravishing Golden Age sets soon lose the magic for want of genuine salt or emotional intricacy in the comedy played before them; blandness, again, rules—and that stricture, alas, must take in the sisters of Marcella, Marshall and Ann Murray, the nice-old-gentleman Alfonso of Sesto Brusantini, even Riccardo Muti as conductor.

The History of Masks/Riverside

Martin Hoyle

Since the evening was in the nature of a lecture/demonstration/workshop, the theatre bowed to Mr Fo's suggestion of 50 minutes for the audience. The effect on Riverside's shoe-string budget was not dwelt on; presumably the mismanagement had relied on Mr Fo's sell-out performances to tide over less popular attractions.

played his talent at its best when abandoning them. He repeated his justly famous depiction of starving Zami with 50 minutes of the audience waxes to devour a fat fly with lingering relish. Taking off the mask for the final moments showed how constricting of voice, face and gesture these leather half-masks can be.

Arts Guide

Music/Monday, Opera and Ballet/Tuesday, Theatre/Wednesday, Exhibitions/Thursday. A selective guide to all the Arts appears each Friday.

Italy Venice Biennale: The Venice Biennale is up and running for the summer in the Giardini di Castello and at various places around La Serenissima...

attention second only to man. The sculpture by the artist Leonardo da Vinci's studies for The Battle of Anghiari, with their terrific force and vitality. Many preparatory sketches for mostly unrealised projects and models with his allegorical drawings of dragons, elephants and castles.

De Kooning - to celebrate the 80th birthday of the pioneer of abstract expressionism. BOMBARDIER presents a retrospective of 80 paintings, 100 drawings and seven sculptures, showing the astonishing facility with which the Rotterdam-born artist changed styles during his long America-based career from lovely portraits, to mad, and to abstracts.

Moore are the presiding masters; Hackley, Kitaj (honorary Englishman as it were), Andrews, Blake all predictably, and rightly included; Symons, Greenham, Collins, Wright, Harman and Lessner brought into deserved prominence; and the stars are Uglow, Freud, Arturich, and Kossoff most of all.

VIENNA Drawings of Gustav Klimt: This exhibition shows an unusual aspect of Klimt. Instead of the more well-known heavily gilded and decorated canvases, here are pencil sketches and monochrome lithographs. They include illustrations from the journal of Vienna's Secession Movement in which Klimt broke new ground.

WEST GERMANY Berlin, Bode-Museum, 14 Klingelbergstrasse: The second part of an exhibition series dedicated to Wassily Kandinsky. This sequence has works from the painter's Russian and Bauhaus years between 1913 and 1933. It also contains pictures by some of Kandinsky's contemporaries.

NETHERLANDS The Kroller-Muller Museum, set in woodland at Otterlo, between Utrecht and Arnhem, offers a special opportunity this summer to see the museum's complete collection of 274 Vincent van Gogh works together for the first time.

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USER SHOW This is the definitive show for all users of IBM Systems. All the up to the minute information on any IBM package, even an IBM compatible PC village. All the answers to all your questions, and their FREE! Just register at the door. Olympia 2, Kensington, London 3/4 Sept (10am to 6pm) 5 Sep (10am to 4.30pm)

THE TYROLEAN NATION 1790-1820? Prints and paintings illustrate the Tyrolean people's fight against Napoleon and their fruitless struggle for nationhood under their change-

WEST GERMANY Berlin, Bode-Museum, 14 Klingelbergstrasse: The second part of an exhibition series dedicated to Wassily Kandinsky. This sequence has works from the painter's Russian and Bauhaus years between 1913 and 1933. It also contains pictures by some of Kandinsky's contemporaries.

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FINANCIAL TIMES

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Thursday August 23 1984

The Republican blueprint

IT IS customary not to take American election manifestos too seriously, and certainly less so than their British equivalents. Yet the Republican platform published this week with its subtitle, "America's Future Free and Secure," deserves a close look, even if it is not much mentioned by President Reagan when he makes his acceptance speech at the party's National Convention in Dallas tonight.

Ambassador to the United Nations, went out of her way to stress the weight given to Western Europe in her speech to the convention on Monday morning. In the spirit of President Truman and General Marshall in President Reagan's support, there is also a welcome resistance to economic protectionism, and an endorsement of the call for a new GATT round in the near future.

National pride

Some of the language will not be unfamiliar either. Indeed, some of it is almost interchangeable: for example, the insistence of reducing public expenditure as a percentage of GNP, the section on support for small businesses, and the emphasis on research and development in science and technology. There is also a similar stress on the restoration of national pride. The Republicans say that they have made it possible once more to believe in the American dream. Mrs Thatcher claims that her Government has reversed Britain's long decline.

Rough balance

Some will attribute naivete, too, to the passages on American strength. Yet here it is not just a question of the old aberrational paragraph, but of a whole philosophy. The Republican Party seems to have convinced itself that the relative decline of American power in the 1970s was a provocative act, which encouraged the Soviet Union to seek to expand its influence. As a result, the idea of mere parity with the Russians is now firmly out. So is the concept of preserving a rough balance of power. The document does not use the word "superiority" directly, but it does say: "We shall keep the peace by keeping our country stronger than any potential adversary."

Tough challenge for accountants

MR PETER GODFREY, the senior partner of the accounting firm Ernst and Whinney, takes over as chairman of British Accounting Standards Committee (ASC) which will be a critical juncture for the accounting profession. The upheaval of Britain's securities markets—in particular the impending demise of stockbrokers who act purely as agents of their clients—will undermine traditional forms of investor protection. The need for transparent and comprehensive financial statements is greater than ever and shareholders are likely to look increasingly to the accounting profession for assurance that the managers of their assets are both honest and efficient.

Unified front

What chance is there that accountants will rise to the challenge? On the face of it, a slim one. The problem for Britain's accountants is that nobody is likely to heed their pronouncements unless they can first present a unified front. There are six different groups of professional accountants in the UK supposedly jointly represented by the Consultative Committee of Accountancy Bodies (CCAB). The ASC is in turn a sub-committee of the CCAB and the accounting standards it proposes must be approved by the presidents of all six accountancy bodies.

ability to shut stable doors long after horses have bolted. It is not remarkable but quite characteristic that the ASC (and the profession at large) has been mute on the most important accounting issue of the past two years: the problems raised for banks by the international debt crisis. Past form suggests a 500-page accounting standard on sovereign debt will be released in about 1990.

Haphazard

Mr Godfrey's task is to convince his colleagues that the accounting profession can no longer afford this leisurely pace. The ASC's slowness in the past is mainly a consequence of its lack of resources and its consequent reluctance to set itself an ambitious enough research programme. It is arguable that the entire basis on which accounts are currently drawn up, which evolved haphazardly over centuries, needs review.

LESS THAN two years ago, Mr Brian Mulroney—then president of Canada's biggest iron ore producer—closed an uneconomic mine in Eastern Quebec, laying off several hundred workers and pushing the small fishing communities of the St Lawrence north shore deeper into what was already a deep recession. A visible reminder of the shutdown still remains in the form of 5m tonnes of iron ore from the mine stockpiled next to the harbour at Sept-Isles, the area's main town.

Yet these days Mr Mulroney receives rousing welcomes when he visits Sept-Isles and the surrounding villages, which include Baie Comeau, the town along the coast where he grew up. Now leader of Canada's parliamentary opposition, Mr Mulroney is campaigning as the progressive Conservative Party candidate to represent the area in the House of Commons after the September 4 general election. He loses no opportunity to remind local voters—who returned his Liberal opponent by a massive 16,000-vote majority in the 1980 general election—that he has a chance in two weeks to elect the "Boy from Baie Comeau" as Canada's next Prime Minister.

The Conservatives are confident that a Mulroney victory on the north shore will coincide with a swing towards them in other parts of Quebec, where the Tories currently hold just one of 75 parliamentary seats, and where they garnered only 18 per cent of votes cast in the 1980 election. Their optimism is well-founded according to the latest opinion polls, which point to a significant Conservative breakthrough in the province.

The party's drive in Quebec reflects one of the most interesting and potentially far-reaching facets of the election campaign now drawing to a close. For the first time in years, each of Canada's two main parties has mounted a serious effort to make inroads into the other's traditional stronghold.

At stake is the elusive goal of a truly national political grouping to counter the divisive tensions which mark relations between Canada's 10 provinces and between the provinces and the federal government.

Across the country in Vancouver, the new Prime Minister and Liberal Party leader John Turner is tacking the Conservatives in their lair. At a time when the Liberals have no parliamentary representation west of Winnipeg, Mr Turner is boldly standing in a Vancouver constituency. His daughter, sons and sister have moved from the east to lead a hand.

If Mr Turner wins, he will be the first Liberal Prime Minister in 106 years representing a British Columbia constituency in parliament. No major parties do not succeed in forging a rare coalition of east and west and of French and Anglo-Canadians, the September 4 election will be remembered as a landmark.

The appearance of new faces in Ottawa is inevitable even if the Liberals win. Several of Mr Trudeau's senior cabinet ministers are leaving politics, notably Marc Lalonde at finance who is also the Prime Minister's chief Quebec lieutenant. Others include Mr Trudeau's ministers of health, justice and agriculture.

Producers of raw materials in the West and consumers in the East, whose interests frequently diverge on issues such as foreign trade policy, energy and farm pricing, and transportation.

During the current campaign, the subject of energy prices has been played down. The conservatives have not forgotten that a budget proposal in 1979 to raise excise taxes on fuel brought about the downfall of the eight-month-old minority government of Mr Joe Clark.

The incoming government will not find it easy to curb the incessant bickering among the provinces. While the threat of Quebec separatism has receded in recent years, provincial rivalries in other spheres have intensified.

Canada's general election Taking the fight into enemy territory

By Bernard Simon in Toronto



Across the divide: the West's John Turner and the east's Brian Mulroney

Should the Conservatives win, they are expected to replace several senior civil servants closely identified with unpopular Trudeau policies.

The incoming government is likely to review several of these policies. The controversial national energy programme, launched in 1980 to hold down domestic oil prices and encourage Canadian participation in the oil and gas industry, is already being watered down. Costly industrial development incentives and the process of screening new foreign investment are other candidates for reconsideration.

Unless a sturdy economic upswing comes to the rescue by raising tax revenues and bringing down social welfare expenditures, pressure will mount on the government to find new ways of curbing a ballooning budget deficit. Neither major party has so far provided details of how it would tackle the deficit. Both assure the electorate that they will maintain—and in some cases, even expand—social welfare programmes.

Canada remains split between producers of raw materials in the West and consumers in the East, whose interests frequently diverge on issues such as foreign trade policy, energy and farm pricing, and transportation.

Referring to Conservative hopes of a breakthrough in Quebec, Mr Norman Atkins, the party's respected campaign director, agrees that "we would have had a hard time without Brian."

Mr Mulroney's role in closing the iron ore mine makes little difference to voters on the north shore. His former employers are generally given high marks for the way the closure was handled. Houses in the mining town of Schefferville were sold to laid-off workers for just one dollar apiece.

According to a Conservative Party official in Sept-Isles, membership of the local constituency association has jumped from 150 to 3,000 since the last election.

Unfortunately for Mr Turner, the Liberals have not been as lucky—in Sept-Isles, in Vancouver or in the country as a whole. Recent opinion polls in the Vancouver constituency where he is running put Mr Turner well behind the present Tory incumbent who has held the seat for the past 12 years.

Given these tensions, it is no surprise that the federal parties have had limited success in past efforts to create a national coalition. Mr John Diefenbaker gained substantial support from Quebecers for the Conservatives' landslide victory in 1957. But he quickly lost it by failing to give French-Canadians meaningful representation in his cabinet and refusing to permit Quebec members to meet together as a provincial caucus.

At the start of the present campaign, however, both Liberals and Tories believed they had something new to offer voters who have traditionally supported their opponents.

Mr Turner, who went to university in Vancouver, developed close links with western business leaders after resigning as Finance Minister in the Trudeau cabinet in 1975 to become a corporate lawyer in Toronto. He has never been identified with the Liberal energy policies which antagonised Alberta, nor with Mr Trudeau's efforts to encourage bilingualism and the preoccupation with Quebec which alienated British Columbia.

On the other hand, Mr Mulroney is the first Tory leader in the century from Quebec. He speaks flawless French and—to round off his appeal to minority groups—his wife is of Yugoslav origin.

its efforts in the east, especially the industrial heartland of southern Ontario. Ontario elects more than one-third the total number of MPs, and Toronto as many as the whole of Alberta.

Hopes of a Liberal advance in the west this year appear to have evaporated in recent weeks, and the Conservatives even talk of capturing one of the Liberal seats in Winnipeg.

On present indications, the Conservatives are heading for victory in the election, ending 21 years on the opposition benches—except for the eight-month interlude of the Clark Government in 1979, according to the latest polls as well as the impressions of most media commentators, the Tories will win enough seats on September 4 to form a majority government in the 283-member House of Commons.

The Liberals may still confound the polls. Two weeks is a long time in a campaign where political leaders' style rather than their ideology will determine the way many votes are cast. For the moment, however, the Liberals are reconciling themselves to defeat or, at best, a minority government backed by the small left-wing New Democratic Party.

Organisers and analysts now agree that Mr Turner's gamble of calling a snap election just a week after taking office was a mistake. In retrospect, the sudden improvement in the Liberals' showing in public opinion polls during May and June (which prompted Mr Turner's election call) reflected little more than a flurry of public interest in the wake of Mr Trudeau's resignation and the party's leadership contest.

The Tories, traditionally the "establishment" party of English Canada, have seen that Liberal's thunder by being more outspoken on minority language rights and more generous in their social welfare promises.

Mr Mulroney says he will try to persuade Ontario to accept French as a second official language, promised wide-ranging pension reforms, and says that the universality of social programmes is a "sacred trust". Mr Gordon Ashworth, the Liberal Party's deputy campaign director, complains that the Tories "have always lived off on to the right hand side of the road. Now they're trying to weave on to our side."

On the other hand, Mr Mulroney has pledged a 10 per cent increase in the size of the armed forces, and says he will give high priority to improving Canada's relations with the U.S.

Time will tell whether the winning party lives up to its campaign promises. The Tories already say that gloomier economic forecasts published in recent weeks will affect the cost of implementing their programmes. They allege that the Liberals also have contingency plans to raise taxes or cut public spending.

Regional interests will also play a key role in the formulation of the new government's energy, trade and transport policies, among others. Mr Atkins calls the prospect a "broadly-based Conservative Government": a tremendous opportunity. Some policies may take longer to shake down, but what comes out at the end may be in the best interests of the country.

In the meantime, two weeks of hard campaigning still lie ahead before the Conservatives know whether they will have that opportunity.

Fuel for thought

British Nuclear Fuels is arguably Britain's least popular nationalised company after what chairman Coningsby Allday has called "a spectacular own goal" last November.

No matter that the station washed up on Cumberland's beaches was less than half-a-millionth of what it put into the Irish Sea last year—which, in turn, was far less than the Government said it could dump.

BNFL's chief Quebec lieutenant seems because the Government wants to test something called "Alara". This is the legal requirement to keep radiation discharges not just below a stipulated level but "as low as reasonably achievable."

Announcing record profits yesterday—one bright spot in a year of very bad publicity—Allday said BNFL was paying its shareholders (the Government company of prosecuting the damage of a long trial—Allday expects it to drag "well into next year"—by pleading guilty to the five charges? Its £71m profits, after all, should enable it to pay the stiffest of fines.

Allday does not believe his shareholders will bow to us we see it. Alara seems to be the main charge and it will most probably develop into a test case.

The Government wants to know whether "Alara"—engineered by an international team of scientists about five years ago—is, in fact, a workable legal principle.

Men and Matters



"I suppose even you lot wouldn't say no to a spot of acid rain"

Today they are back together again—after a series of long-distance phone calls and a £5m management buy-out—running the former Sears business, renamed Silcock Express.

Holmes, with a majority share, is chairman, and Peat, deputy chairman, of what claims to be Britain's third largest vehicle distributor, with 1,000 employees, bases in France and Spain, and an estimated £34m turnover this year.

The whole venture has traced some circuitous routes to get to its new starting point. The Royal Bank of Scotland came down from Edinburgh to Barking to put together the financial package through its corporate finance arm, National Commercial & Glyns.

Ship-shape

The prospects for shipping services to the Channel Islands have suddenly taken an almost embarrassing turn for the better.

When Sea Containers took over Sealink, the new owner James B. Sherwood, referred to the Channel Islands as the company's "main problem child."

He talked about turning the ferry service from Portsmouth into a freight-only operation and concentrating all passenger traffic on Weymouth.

So there was great relief in the Islands when a new company, Channel Island Ferries, backed by Jersey's Eurolin group and Brittany Ferries, announced earlier this month that it was going to start a passenger car and freight service to the Islands from Portsmouth next April.

Now Sea Containers has had a change of heart and says it is not only going to keep the Portsmouth passenger service but also probably link the Islands to Cherbourg, putting two more ships into this sector.

With a Torquay-based company, Torbay Seaways also planning to expand its Channel Islands operations, using a roll-on roll-off ship, the problem for the Islands' authorities is no longer a possible lack of sea transport but how to accommodate all the ships wanting to call there.

In the picture Latest flash from Warsaw which rivals Budapest as East Europe's leading joke centre.

Kowalski is told by his department chief to carry a portrait of Soviet Leader, Konstantin Chernenko at a Communist Party rally.

Data day

British companies seem greatly concerned not to become Big Brother organisations.

Ernst & Whinney, one of the country's top eight accounting firms, decided to publish a booklet about the Data Protection Act, which after 10 years of being maulled as a Bill, is due to become law in September.

The Act concerns the cataloguing of personal information by computers. There are certain exceptions to what can be compiled, notably business failures and some payroll information.

Even so, the range of information is sufficiently wide to worry Ernst & Whinney's clients about the possession of too much information on employees, customers and the like.

The firm decided to follow up its booklet by organising a seminar, it expected something like 75 to 100 to reply.

In the event, the group was swamped by over 800 applications. As Andrew Oakley at Ernst & Whinney says: "We have been genuinely surprised by the diversity of clients who have applied to come."

Applicants range from British Airways to British Petroleum, from mail order companies to police forces. The seminar is

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ECONOMIC VIEWPOINT

# Time to stop cossetting coal

By Samuel Brittan

THERE HAS been one excuse after another for not using either the criminal or the civil law against behaviour, which would, outside a union context, have its instigators behind bars double quick as Ian MacGregor rightly hinted on Tuesday.

Originally, there was the desire not to alienate members of the National Union of Mine-workers when a strike ballot was still in the offing. Then there was the supposed desire not to alienate the Nottinghamshire miners (who obviously would need to make arrangements to protect their own funds but otherwise have no reason to rally behind Arthur Scargill).

Above all, there is the deep-seated establishment belief that to treat union militants as equal with anyone else before the law rather than as specially privileged, would be provocative or create martyrs.

The non-enforcement of the law is not the only unsatisfactory aspect of the Government's handling of the dispute, although it is infinitely the most

## The best place to leave coal is in the ground

important. The least impressive aspect of Mrs Thatcher's utterance on the coal strike is when she boasts about how much the Government is paying to the mining industry. This was stated to be £1.3bn to meet the Coal Board losses and to finance investment when a strike ballot was still in the offing.

These sums do not belong to "government," but are being raised in tax from the rest of the population, including many who are far worse off financially than the miners. Are these sums being paid over?

Not to reduce poverty or improve the distribution of income—for which this is the least cost effective method imaginable. (Interest on the £1.3bn at the average average of almost 23.250 per annum in 1982-83 and will exceed £10,000 on the recent Coal Board scale of offer). Nor is coal a "public good" such as defence or environmental protection, for which there is an arguable case for collective provision. Coal, like any other

source of energy, is a marketable commodity.

Are the miners being subsidised to provide insurance against a future rise in the price of oil, which may occur after North Sea oil production has tapered off? If we are really concerned with conservation for the future, then the best place to leave coal is in the ground.

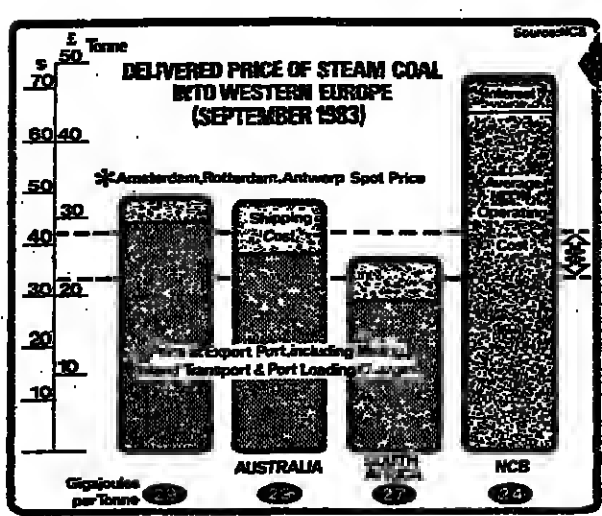
Is it then a commercial investment? To ask the question is to answer it. Neither the Government nor the Coal Board has yet attempted to calculate the return on these sums, which is heavily negative. Can you imagine these sums being raised on the capital market, as much larger sums have been for North Sea oil and will be again for British Telecom?

One does not need an unduly suspicious mind to see these sums as a form of damage—the sums that harassed Saxon kings used to pay the Danes to keep away in the Dark Ages. After the defeat of the Heath Government in the 1974 miners' strike, its successors have been anxious to buy off trouble in the industry.

The first comment to make on the policy of paying damage to the NUM is that a Labour Government, led by someone like Mr James Callaghan, has a much better chance of getting away with it. It has the instincts, the connections and a certain reservoir of sympathy among some of the union officials. It thus has some chance of buying off, for a while, the type of violent reaction we are now seeing in the mining areas. Mrs Thatcher, on the other hand, has no chance of so doing. Is there the slightest sign that a Scargill-dominated NUM executive is one bit grateful, or one iota less inclined to try to beat the Government into the ground, because of the sums expended?

But it is doubtful if even a Labour Government would have done away indefinitely with paying damage. Those who paid damage during the Danish invasion, found that the Danes only came back for more.

The Monopolies Commission estimated in a major report last year that the 10 per cent of pits with the highest costs accounted for £300m of the NCB deficit—£200m in operating



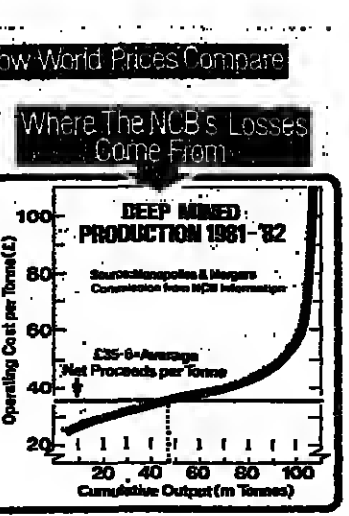
losses and £100m from having to export at a discount, ie dump. (See graph.)

The Commission estimates that if the level of closures envisaged in a tripartite report approved by the Government in 1974 had been achieved, present capacity would be 10m tonnes less and the position of the industry transformed—I would say made less bad.

The Commission concludes that "the industry's case for investment in new capacity cannot be sustained if it is unable to close down older, uneconomic units." It warns that "if the problem is not dealt with there must come a time when it will be quite impossible for any government faced with many calls on limited resources, to justify to the public the large and growing expenditure of public funds needed to continue to support high-cost collieries."

My question is whether that time has not already arrived and whether Plan for Coal should not be consigned to the wastepaper basket. The organisation and attitudes of the NUM (which the Monopolies Commission hints mentioned in over 500 pages) are as much a part of the economics of coal as geological factors. The politically induced vulnerability of coal supplies has to be taken into account in determining how far any government is justified in "backing coal".

According to Ian MacGregor's



to use its "best endeavours" to take at least 70m tonnes a year. In return, the NCB agreed to keep coal prices below the rate of inflation. There are analogous arrangements with the British Steel Corporation. If pay and other claims anything like those tabled by the NUM were accepted, the NCB will require even larger government subsidies to keep its head above water.

There is even an official Coal Firing Grant Scheme, extended last December, worth £75m to encourage UK industry to convert to coal. There is also a Solid Fuel Advisory Service designed to make "the benefits of the modern, efficient and attractive use of coal in the home more widely known."

As a result of various restrictive undertakings, imports in the last pre-strike year, 1982-83, were confined to 3m tonnes (compared to total output of 120m tonnes and 7m tonnes of exports) even though imported coal would have been competitive in larger amounts for a distance in power stations around the Thames estuary.

Even when it comes to domestic production, restrictions are imposed to bolster NUM monopoly. It is not realised that most open-cast coal is produced by private enterprise concerns under contract to the NCB. This now runs at 14m tonnes p.a. In addition private enterprise produces under licence very restricted

quantities amounting to 11 tonnes. Licensed operators have complained that the NCB is deliberately holding back on open cast mining, for fear of offending the NUM. In fact, open cast operations yielded a profit last year of £211m in contrast to a loss on deep-mined coal of £595m—in both cases before interest. More coal would undoubtedly come from open cast operations without the NUM threat.

The direct electricity link with France, due to open in 1986 and officially built to help with the peak loads will also reduce the CEB's dependence on British coal in a strike emergency by the equivalent of two nuclear fired power plants. If the Government really valued further cable links to the Continent where there is surplus electricity for sale.

At a very minimum, organisations such as the CEB and BSC should be allowed to import freely—not as an emergency measure for the duration

## The perennial threat of coal strike blackmail

of the strike, but permanently. The fuel oil duty should be lifted and open cast mining should be freed. No complex privatisation is required, but merely the general availability of licences subject only to environmental controls. The reluctance of the Government to take such actions make one wonder whether the Energy Secretary really wants to end the perennial threat of coal strike blackmail, or whether he prefers to fight with one hand tied behind his back.

When the strike is over, Arthur Scargill will still be there, waiting for another occasion. The liberalisation measures I suggest would be entirely justified in their own right as a check on wishful thinking in coal investment. But they would also increase the flexibility of British industry and British power stations in coping with future interruptions to domestic coal supplies.

# Lombard West Germany in the fast lane

BY JONATHAN CARR IN BONN

MANY motorists will know that crossing into West Germany is a pretty unnerving experience. This has nothing to do with the customs officials, who are even more relaxed than they used to be. It is simply that the Germans, unlike their neighbours, have no formal speed limit on their autobahns—just a "recommended" 130 kilometres per hour (81 mph) which few heed. As a result the motorist who has been trundling along, say, the Belgian or French autoroutes is liable to be shocked by the almost brutal belter skelter on the other side.

It is hard to say what turns so many otherwise orderly, security-conscious Germans into creatures of almost unparallelled rudeness and impatience when driving. Heaven knows that a lot of other European drivers are often neither sensible nor polite. But there is a special quality about driving in Germany which makes for gritted teeth, knitted brows and sweaty brows.

## Temptation

How pleasant it would be, one reflects, if the Germans would be even a little less speed-thirsty—despite the temptation of those magnificent fast cars we all know they produce so well. Hence a few modest hopes rose the other day when the post brought a report on autobahn speed limits from the security, energy-saving and environmental aspects. True, the report came from Daimler-Benz, a company not unconnected with the making of fast cars and therefore perhaps seen as a bit partial. But the company stressed that its report, which is filled with tables and charts, was meant to help decision-makers to be taken at national level from "presumptions and ideologies."

Daimler-Benz stresses for a start that the autobahns are

such the safest roads in West Germany (on the face of it a rather chilling thought). From a total of 11,715 German road deaths last year (and, incidentally, 489,000 injuries), 877 came on autobahns and the rest on country roads or in towns. Impose an autobahn speed limit, the report argues, and many more drivers might take to the ordinary roads, thus sharply increasing the number of accidents and making more noise and fumes in built-up areas. That argument may not seem wholly convincing to everyone; but Daimler-Benz also says a speed limit would not bring a net gain in security on the autobahns themselves, because the authorities would promptly spend less on marking and upkeep than they did before. That point has the smack of realism about it.

## Energy

Nor, alas, does it seem that a speed limit would help save much energy either. According to the report, reliable tests have shown that even under optimistic assumptions, a limit would bring petrol savings averaging less than 1 per cent. Personal experience suggests that this figure is on the low side—but no doubt this counts for little when set against the results of scientific tests.

Daimler-Benz also says it is far from clear what impact a speed limit would have on the environment—especially on Germany's "dying forests" which are now the object of so much comment. The report notes that while some types of exhaust emission increase with a bigger speed, other types are boosted by a lower one.

One thing the company is quite certain about. An autobahn speed limit would create a "strong feeling of insecurity" among customers trying to decide what model of car to buy. That, it says, would upset demand and bring risks for the economy and jobs. The recommendation to the national decision makers is clear enough. Hands off! Also the advice to motorists visiting Germany must continue to be—hang onto your hats!

## Public purchasing policy

From the President, Electronic Engineering Association

Sir,—I noted with much interest the comment by Kenneth Warren (August 15) that the time has come for the Treasury to take account of the fact that labour accounts for some 50 per cent of the cost of defence equipment and that 40 per cent of this goes back to the Government in taxation.

About 18 months ago this association had a series of meetings with the Department of Industry in which we advanced precisely this argument. It seemed at first to be received with incredulity, but finally we received in response a paper on the burden of defence equipment. We were glad to see that this paper had been prepared by economists from three Government departments! I am therefore delighted to see the support for what we termed "the Red, White and Blue Point" coming from such a distinguished source as the chairman of the House of Commons select committee on trade and industry.

Incidentally, the Government's own committee has demonstrated a complete acceptance of the benefits of home purchases.

S. Brighton, 8, Leicester Street, WC2.

## Helping out the volunteers

From the Chairman, Executive Committee, Returned Volunteer Action and Gill Taylor

Sir,—We were extremely pleased to see Robin Pauley's column "Helping out the volunteers" (August 18). We have been seriously concerned that most volunteers in the British programme are not able to pay Class I National Insurance contributions because they fall below the minimum earnings limit.

This means that when they return to this country after two or three years of hard work in the developing countries, they are unable to claim sickness benefit, unemployment benefit or maternity benefit. In the present climate of unemployment, this situation presents volunteers with particular hardships.

Every other country in Europe has made special legislation, and, I think, is about to—for this group of people. In Britain to remain the only country which is effectively to penalise its volunteers for working in the Third World?

## Letters to the Editor

As Robin Pauley pointed out, this seems an example of institutional inflexibility which is inflicting hardship on a group of people who are worthy of better treatment. Let us hope that Timothy Ralson and Dr Boyson can speedily bring Britain into line with our European neighbours.

Peter Tomlinson, Gill Taylor, 1, Amwell Street, ECI.

## Pharmaceuticals in Mexico

From the Under-Secretary for Industrial Promotion of Mexico

Sir,—I read David Gardner's report (August 14) on Mexico's new decree for the development of our pharmaceutical industry and while recognising his broad research in this area, I would like to clarify a few points that, as they stand, could lead to some misunderstanding.

According to an international company spokesman quoted, the new decree could be a "clear signal that Mexico doesn't want private investment." What is not mentioned is that the locally owned private enterprises have given full and public support to the decree and its objectives, precisely because they believe that the new policy strengthens their role and doesn't rest on the creation of an unnecessary public sector. Many international corporations which see good growth and profit levels attainable under the new legislation, also share this belief.

It has also been claimed that the new decree could be interpreted as a signal that Mexico wants still less foreign investment. That is not correct. Both at the general policy level and in the pharmaceutical decree, provisions have been established that, for the first time since 1973, allow 100 per cent foreign owned companies to expand their existing pharmaceutical plants and invest in the manufacture of basic chemical ingredients without any joint-venture requirement as used to happen. Mexico wishes that the import substitution efforts to be undertaken, should take place at efficient and internationally competitive levels. For this reason, international corporations, who normally own the best available technologies, should be able to play an important role in these efforts, as long as they are willing to

## Monopoly in civil aviation

From Mr B. Murphy

Sir,—Mr David Lindsay (August 15) poses questions which were ignored by the Civil Aviation Authority and, in my view, are unanswered.

Is it fair to the consumer to have a substitute airline forced on him? How does this sit with the Government's professed belief in competition and market forces?

Is it fair or reasonable to ask the staff of one airline to immediately transfer their loyalties to a major competitor? Have the opinions of British Airways' staff been sought?

There is clearly an issue of human rights here—the achievements and sacrifices of the airlines' staff cannot merely be pushed aside.

Are not the recommendations of the CAA the equivalent of proposing that parts of Marks and Spencer should be given to the smallest shops in order that they should be able to increase in size?

As a member of the Gatwick Consultative Committee and of the Council of the Consumer Association, although writing in a private capacity, I would be interested in what the Government has to say in answer to these questions.

Brian Murphy, 1 Woodford Rise, Muswell Hill, N10.

## City of the angels

From the President, Capital Research Company

Sir,—As a regular reader of the Financial Times and a resident of Los Angeles, I was offended by the article in your August 10 edition, entitled "City tires of Games marathon."

The title and article had to be written by people totally out of touch with the reality of what has been going on in this city. Los Angeles didn't tire of the Olympic Games, but rather is in the process of coming down from an incredible high associated with one of the truly memorable and uplifting two weeks most of us have ever experienced.

I would like to quote from a recent letter to the Los Angeles Times from Mark Realmonde (whom I don't know): "The phenomenon has swept Southern California like a rare, highly contagious disease. Oddly enough, it is the one thing that most everyone thought we were immune to: civic pride. Beyond being

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# FINANCIAL TIMES

Thursday August 23 1984



Reginald Dale in Dallas observes euphoria on the eve of Reagan's renomination

## Republicans prepare a hero's welcome

A GUNG-HO Republican party was yesterday preparing a tumultuous Texas-style welcome for its hero, President Ronald Reagan, as the climax to its national convention in Dallas.

Mr Reagan was due to arrive last night, a few hours before his official renomination for four more years in the White House by a party enthusiastically united behind him.

The convention will reach its peak today when Mr Reagan and Mr George Bush, the Vice President give formal acceptance speeches before more than 4,000 exuberant delegates and alternates on prime-time television.

The renomination of the Reagan-Bush team was to be preceded by a tribute to Mrs Nancy Reagan.

Mr Reagan and Mr Bush were to be nominated in a single ballot, breaking a long tradition under which vice-presidential candidates have been chosen separately, 24 hours after the presidential candidates. The aim is to move to tonight's acceptance speeches as quickly as possible in the hope of attracting the maximum of television viewers.

On the convention's second night

on Tuesday, party leaders began staking out the ground for the autumn election campaign by launching blistering assaults on the Democratic Mondale-Ferraro ticket, and in particular, on Mr Walter Mondale, the party's presidential nominee.

Carefully avoiding any comment on Mrs Geraldine Ferraro's tax returns and campaign finances, Mr Bush said that the November elections would be decided on the merits of the two "top of the ticket" candidates, and not by the vice-presidential contenders.

The main thrust of many of the speeches to the convention floor was to portray Mr Mondale as a weak, even "whining" leader, bound hand and foot by the promises he has made to special interests.

Mr Bush, however, has far from abandoned his own presidential ambitions. He has used the three days that he has been here this week, to keep quietly in touch with the political supporters he will want to call on in his expected 1988 bid for the White House.

An Associated Press poll of convention delegates found that Mr Bush was far ahead of his nearest rival, Congressman Jack Kemp of New York, as their first choice for

1988. Mr Bush had 42 per cent support, against 17 per cent for the Conservative Mr Kemp, one of the masterminds behind the party's right-wing election platform this year.

The poll put Senator Howard Baker of Tennessee third with 8 per cent, followed by Senator Robert Dole of Kansas with 2 per cent and his wife, Mrs Elizabeth Dole, Transportation Secretary, with 1 per cent. Most political analysts, however, said that it was far too soon to start assessing the 1988 prospects seriously.

Mr Dole, who was former President Gerald Ford's vice-presidential running mate in 1976, said that it was a good omen that the number of his Dallas hotel room is 1988. Mr Baker said yesterday that he had "checked out" this story and found that the room was actually registered in Mrs Dole's name.

A noisy organised demonstration greeted Mr Kemp's appearance on the podium on Tuesday. Other campaign signs, particularly numerous in the Kansas delegation, simply said "Dole '88" without specifying whether the support was for husband or wife.

The two Dole's addressed the con-

vention one after the other on Tuesday with Mrs Dole making what many delegates seemed to see as a slightly more impressive performance.

Referring to Ms Ferraro, Mrs Dole said that it was an "insult" to the American electoral process to suggest that women would vote for a candidate just because she was female.

"We won't vote for gender. Women are not a voting block," she said to enthusiastic applause. It has been a clear Republican strategy here to highlight as many as possible of the party's leading women as speakers to counter Ms Ferraro.

The main speech on Tuesday night was by Mr Ford, normally associated with the party's moderate wing, who sought to rebut Democratic charges that Mr Reagan's policies are "unfair" and who threw full support behind Mr Reagan's re-election.

"Is it fair to make promises you can't keep? Is it fair to keep promises that the country can't afford? That is Mondale's record," said Mr Ford, whose speech was greeted with repeated chants of "four more years".

"I said in 1978 - I said in 1980 - I'll

say it again. The fairness issue belongs to leadership which promise the American people no more than it can deliver and then delivers what it promises," he said.

Concentrating heavily on Mr Mondale's links with former President Jimmy Carter, Mr Ford assailed the policies of the Carter-Mondale Administration and said: "No wonder Mondale would like to forget about the past and talk about the future."

The dominant conservative wing of the party was represented by Mr Kemp who attacked the Democrats as "soft on democracy" for trying to undermine Mr Reagan's anti-communist policies in Central America.

In a briefing on foreign affairs, Mr Bush said that the U.S. was ready for "very much improved relations" with Cuba if the Castro Government would take some "first steps".

These should include less dependence on the Soviet Union, giving up the drug business and agreeing to a firm and verifiable commitment not to export revolution," he said.

Ferraro finds sympathetic audience, Page 8; Editorial comment, Page 8

## Spanish pulp groups seek state support

By David White in Madrid

SPANISH pulp and paper producers, worried that many companies may face bankruptcy after Spain joins the EEC, have applied for state backing for a restructuring plan involving an injection of about Pta 110bn (\$687m).

The industry's proposals to the Socialist Government - which have so far not included the paper sector in its 36bn industrial reconversion programme - have not been officially disclosed. But the main outlines were confirmed by the head of the producers' association, Sr Francisco Esteve.

The proposals involve the loss of more than 1,700 jobs or about 9 per cent of the industry's 20,000 workforce. All these jobs are in the paper and cardboard manufacturing field where annual output is expected to rise by 285,000 tonnes or just under 10 per cent in the next four years.

The volume of pulp production would increase by a similar figure, 267,000 tonnes a year, in the same period. An estimated Pta 38.7bn of the proposed investment would go towards modernising pulp installations and on reafforestation, with the remaining Pta 71.5bn devoted to reorganising paper and cardboard production.

The plan comes after a period of seven years during which output has outstripped domestic demand and exports have risen sharply - in many instances less because of any competitive advantage than because of the need to cream off surpluses. The main idea behind the plan is to adjust production to consumption in areas where exports are difficult and to increase capacity for export production.

Spanish exports of pulp and paper soared last year by 44 per cent to Pta 57.2bn.

In volume terms the increase for paper and cardboard was 15 per cent and for pulp 71 per cent, compensating for declines on the home market.

The Government's industrial reconversion programme so far involves principally the steel shipbuilding and fertilizer and electrical white goods sectors, which between them are expected to take up three quarters of the total funds to be made available from state and private sources.

A further downward move in Spanish lending rates - the second in just over a month - has been signalled by a half point cut in preferential rates by the state-controlled Banco Exterior.

## Weizman sides with Peres in bid to break Israeli deadlock

BY DAVID LENNON IN TEL AVIV

ISRAELI ruling Likud Party was faced with a difficult choice yesterday following a pledge of support from Mr Ezer Weizman, the former Defence Minister, for the Labour Party in its attempt to form the country's next government.

Mr Weizman signed an agreement supporting the Labour Party after an all-night meeting with Mr Shimon Peres, the Labour leader who was invited by the President 2½ weeks ago to try to form a coalition.

The pledge, which may convince one or more of the religious parties to join Labour in a simple majority government, raises the prospect of Likud being left on the opposition benches if it does not join a government of national unity.

Mr Weizman, whose Yehad (together party) won three key parliamentary seats at last month's general elections, warned Mr Yitz-

hak Shamir, the outgoing Prime Minister, that it was now up to him to bring his Likud Party into a national unity government headed by Mr Peres.

Mr Yigal Cohen-Orzag, the Finance Minister in the outgoing Government, plans next week to seek emergency powers from the Cabinet to institute an emergency programme to deal with the economic crisis.

He wants to cut the budget, by \$1bn, increase value-added tax by 5 per cent and re-impose property taxes on houses and cars. The minister believes the economic situation needs immediate action and cannot wait until a new government is sworn in.

Other proposed measures are doubling university fees; ending free high school education; sharply increasing the cost of subsidised food and fuel; and reducing the

percentage by which salaries are automatically linked to the retail price index.

There is considerable doubt that the outgoing Finance Minister has the political clout to push through such a programme, which is bound to cause serious labour unrest and could bring on a general strike.

In reference to his support of the Labour Party, Mr Weizman said he hoped his move would aid the creation of a national unity government. "That is what I urged on Mr Shamir. I do hope we will see each other in government."

The development sent the other small parties into urgent internal discussions. The National Religious Party, seen as a likely partner in any government, met last night to decide how to react to the Weizman initiative. It has four members in the Knesset (parliament).

## German car makers see strong recovery

By Jonathan Carr in Frankfurt

MOTOR VEHICLE production in West Germany accelerated sharply last month as companies sought to make good the shortfall caused by the seven-week strike by metalworkers in May and June.

Nearly 272,000 vehicles rolled off the production lines in July - 20 per cent more than in the same month last year. Car exports were up, too, by 8 per cent to 144,000 although exports in the commercial vehicle sector, depressed for many months, were down by 3 per cent to 9,500.

The July boost reflects, above all, the decision by many companies to continue production into the normal summer holiday period to help make up for lost ground. The industry considers that the strike, which caused the supply of vital components to dry up, was responsible for the loss of at least 400,000 vehicles.

Despite last month's surge, vehicle production for the first seven months - 2.2m units was 10 per cent down on the corresponding period of 1983. Production of cars was down to 2.03m compared with 2.3m before and that of commercial vehicles was 136,700 after 157,500.

The impact of the strike is also reflected in vehicle registration figures issued this week. A total of 1.75m new cars and commercial vehicles went on to West German roads in the first seven months of 1984 - 4.3 per cent fewer than a year earlier. The July figure alone, at 183,000, was 13.3 per cent down.

The figures indicate that Japanese car manufacturers have been able to increase their share of the West German market, at least partly because of the impact of the strike on their German competitors.

The registration statistics show that the Japanese took 12.3 per cent of the market in January to July, compared with 10.8 per cent in the whole of last year. French manufacturers took 7.9 per cent, Italians 5.2 per cent and British 0.4 per cent. W. Germany in the last issue, Page 9.

## Arrests mark coloured poll in S. Africa

Continued from Page 1

posed to the elections were arrested after the detention of at least 40 leading members of the United Democratic Front (UDF) on Tuesday.

The UDF, a multi-racial organisation that unites a number of trade unions and community and cultural organisations, has been in the forefront of a campaign to persuade coloured and Indian voters not to cast their votes. Elections for the Indian assembly will be held next week.

The reaction of the Government to the anti-election campaign has grown increasingly stronger. The Minister for Law and Order, Mr Louis le Grange, said yesterday that countrywide arrests had been necessary because a potentially revolutionary situation had been created in certain areas.

He added that the Government was determined not to allow the country to be disrupted or young people to be "misused" for agitation. Polling was generally slow throughout the country.

World Weather table with columns for location, temperature, and weather conditions.

## Board changes at FCA

Continued from Page 1

ry. FCA also announced that Mr John Borer, FCA's retired general counsel, will become a vice-chairman.

As FCA's problems have mounted in recent weeks, there has been increasing concern that the U.S. regulatory agencies have not been able to control the group's explosive growth rates.

THE LEX COLUMN

## Wrong formula in chemical stocks

The big three German chemical companies now reporting their interim profits have clearly done even better than expected in the second quarter - but that will be cold comfort to their shareholders. Strong international demand, slimmer cost structures and a useful drop in interest charges have all contributed to a first-half performance which is making a nonsense of some earlier profit forecasts.

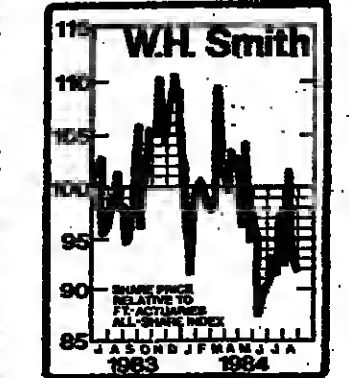
Investors have not been much impressed by the sector's claims to have reduced its vulnerability to the economic cycle; but it is the anticipation of the next cyclical downturn which is banging over the shares - or is next year's challenge from Middle Eastern exports to Europe already casting a long shadow?

Second-half profits seem most likely to fall short of those already in the bag, with demand in the second quarter probably representing a cyclical peak. Name the less, domestic German demand this summer has been strengthened by orders lost during the metalworkers' strike, and the undoubted recent slackening in the U.S. market could still prove no more than seasonal.

The present rate of growth for European producers could last well into 1985, in fact, and there is little sign yet of the frantic, surplus stock-building which usually precedes the real downturn. Meanwhile, though, there is every sign of a scramble for market share in some commodity sectors, with prices weakening fast ahead of those shipments from the East.

W.H. Smith

Like almost every other retailing chain, these days W.H. Smith claims to have been re-discovering the virtues of a sharper presentation in its retail shops. The merchandise mix is being brought firmly back into Smith's traditional territory of newspapers, books and stationery - with computers adding



a fashionably modern touch - and better gross margins by squeezing out cigarettes, confectionery and toys.

The change of tack seems to be paying off where it counts. Although comparison with earlier results is complicated by a change of year-end, Smith's pre-tax profits of £38.4m for the year to June 2 are a clear two-fifths better than it had managed 18 months before.

The market has yet to decide whether the improved results can be translated into a sharper image for Smith's shares, which at yesterday's 130p stand on an historic multiple of about 10, a fairly steep discount to the street sector.

Despite an unimpressive history - scarred by costly diversification - and the limited scope for physical growth in such a well-developed chain, there is still a reasonable chance that Smith will begin to regain favour.

For one thing, Smith's Do-It-Yourself adventure at last seems to be knocking together a more credible performance, though it will be a year or two before its margins come anywhere near those of B & Q, a slightly less prime appearance for a reasonable market share in some commodity sectors, with prices weakening fast ahead of those shipments from the East.

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The July boost reflects, above all, the decision by many companies to continue production into the normal summer holiday period to help make up for lost ground. The industry considers that the strike, which caused the supply of vital components to dry up, was responsible for the loss of at least 400,000 vehicles.

Despite last month's surge, vehicle production for the first seven months - 2.2m units was 10 per cent down on the corresponding period of 1983. Production of cars was down to 2.03m compared with 2.3m before and that of commercial vehicles was 136,700 after 157,500.

The impact of the strike is also reflected in vehicle registration figures issued this week. A total of 1.75m new cars and commercial vehicles went on to West German roads in the first seven months of 1984 - 4.3 per cent fewer than a year earlier. The July figure alone, at 183,000, was 13.3 per cent down.

The figures indicate that Japanese car manufacturers have been able to increase their share of the West German market, at least partly because of the impact of the strike on their German competitors.

The registration statistics show that the Japanese took 12.3 per cent of the market in January to July, compared with 10.8 per cent in the whole of last year. French manufacturers took 7.9 per cent, Italians 5.2 per cent and British 0.4 per cent. W. Germany in the last issue, Page 9.

Arrests mark coloured poll in S. Africa

posed to the elections were arrested after the detention of at least 40 leading members of the United Democratic Front (UDF) on Tuesday.

The UDF, a multi-racial organisation that unites a number of trade unions and community and cultural organisations, has been in the forefront of a campaign to persuade coloured and Indian voters not to cast their votes. Elections for the Indian assembly will be held next week.

The reaction of the Government to the anti-election campaign has grown increasingly stronger. The Minister for Law and Order, Mr Louis le Grange, said yesterday that countrywide arrests had been necessary because a potentially revolutionary situation had been created in certain areas.

He added that the Government was determined not to allow the country to be disrupted or young people to be "misused" for agitation. Polling was generally slow throughout the country.

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**Industrial revolutions**

SECTION II - INTERNATIONAL COMPANIES

# FINANCIAL TIMES

Thursday August 23 1984

Control Technology  
You'll find it at  
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Systems Engineering  
Hull, England

## Taubman close with department store bid

**By Our New York Staff**

MR ALFRED TAUBMAN, the wealthy U.S. property developer who owns Sotheby's the UK auction house, appears close to winning control of Woodward & Lothrop, a Washington department store group, after recommendation by the board of his \$20m offer.

The recommendation, which follows a protracted battle over the company's future, is in preference to a \$22.4m share offer from Mr. Monroe G. Milstein, a private investor. The board believes that Mr. Taubman's proposal, while lower than the price proposed by Mr. Milstein, is within the range of fairness to the company's shareholders.

After considering a report by a committee of independent directors appointed to investigate the Milstein proposal, the board concluded that there is a substantial risk that the \$22.4m price per share, announced by the Milstein proposal, will not be available to be paid to shareholders.

Mr. Taubman already owns 22 per cent of Woodward's outstanding stock. As a practical matter, any merger proposal made by Mr. Milstein will not obtain the requisite approval under the District of Columbia Business Corporation Act of two-thirds of the outstanding common stock if Taubman Holdings vote against it, said the board.

The merger agreement and the credit arrangements between Mr. Taubman and his lenders terminate on September 30. After then, says the board, his \$20 per share price may not be available to shareholders.

Both bids represent a substantial premium over book value at the end of 1983 of \$33.60 a share.

## Bayer lifts group profits by 73% in first six months

**By JONATHAN CARR IN FRANKFURT**

BAYER, the West German chemical concern, raised group-wide pre-tax profits by 72.9 per cent to DM 1.48bn (\$812m) in the first half of this year, on turnover up 18.4 per cent to DM 21.9bn.

The group is thus the second of the "big three" German chemical companies to announce a further sharp boost in earnings this year, after the recovery shown by the whole sector in 1983.

On Tuesday Hoechst announced group pre-tax profit up by 83.7 per cent to DM 1.5bn. BASF is expected to release its detailed first-half results shortly.

The results of Bayer AG, the parent company, show pre-tax profit up by 30.2 per cent to DM 660m in the first half, on turnover up by 15.5 per cent to DM 6.6bn.

While foreign sales rose strongly

## Midway in rescue bid for Air Florida

**By Our Financial Staff**

DIRECTORS of Midway Airlines, a U.S. carrier, are discussing the possible bailout of Air Florida Systems, the Miami-based airline which filed for Chapter 11 reorganisation in July.

Air Florida confirmed reports that talks were underway and said the airline was also discussing potential bailout plans with other carriers.

Air Florida must submit details of a reorganisation scheme with the U.S. bankruptcy court in Miami by August 27. Midway said Air Florida began talking with its officials last week.

Other carriers which have been involved in the bailout talks are believed to include Northeastern International Airways, a new carrier that began operations on April 1. However, talks are understood to have broken down.

Auditors for World Airways, another struggling U.S. carrier, have given a qualified opinion of the company's 1983 financial statements, saying that circumstances "indicate the company may be unable to continue as a going concern."

The auditors, Peat Marwick Mitchell, said World Airways had \$108.1m in cumulative losses from the past three years. In addition, "the company hasn't made certain scheduled payments and isn't in compliance with other provisions of its long-term debt agreements and capital leases," the auditors said.

"As a result, all of the company's long-term debt and lease obligations are subject to acceleration and have been reclassified to current liabilities."

## STUDY REVEALS THE FORCE BEHIND U.S. LOAN GROWTH

# Banks take on a dramatic role

**BY PAUL TAYLOR IN NEW YORK**

THE U.S. banking system was a major force in the estimated record \$80bn loan expansion in the first half of 1984 - despite the problems of some major money centre banks - according to a study by Salomon Brothers, the Wall Street investment house.

The report, prepared by Ms Nancy Kimelnaas and Mr James McKeon economists with Salomon Bros, shows the U.S. banking system responded to the massive credit demands of both industry and individuals by dramatically altering the mix of bank assets and liabilities.

The banking system, faced with a credit explosion in effect revived liability management to fund booming loan demand.

Rapid loan growth in the first half - a major factor in the credit markets and in Federal Reserve Board monetary policy - was led by a dramatic jump in domestic business borrowing, which grew more than \$40bn compared with \$23.4bn in the 1983 second half and a \$4.8bn decline in the 1983 first half.

This expansion reflected a wide range of factors, including the depressed state of the debt and equity markets, booming merger and leveraged buyout activity, and higher capital spending programmes.

Other loan categories, particularly mortgage and consumer loans, also grew "at exceptional rates," according to the report.

To offset these factors slightly, the banks dramatically cut their holdings of U.S. Government securities and - perhaps unsurprisingly given the political and public climate towards loans to less-developed nations - scaled back lending to foreigners.

The Salomon report attributes the marked decline in U.S. bank loans to non-U.S. borrowers to "the strength of the U.S. dollar and high U.S. interest rates" which discouraged new foreign borrowing, and to the banks' attempts "to pare their lending to less developed nations."

### INCREASES IN COMMERCIAL BANKS' ASSETS AND LIABILITIES

	First Half 1983	Second Half 1983	First Half 1984E
	\$ bn	\$ bn	\$ bn
<b>Assets</b>			
Domestic business loans	-4.8	23.4	40.3
Foreign business loans	5.8	-2.1	-8.0
Mortgages	10.3	19.0	18.6
Consumer loans	0.9	22.7	23.0
Other loans	5.2	3.9	8.6
<b>TOTAL LOANS</b>	<b>16.5</b>	<b>68.9</b>	<b>78.5</b>
U.S. Treasury securities	32.1	11.8	-5.0
Other securities	-2.1	6.7	-1.0
<b>TOTAL LOANS AND INVESTMENTS</b>	<b>49.4</b>	<b>87.4</b>	<b>72.5</b>
Reserves	-7.8	4.0	-4.5
<b>TOTAL FINANCIAL ASSETS NET</b>	<b>41.6</b>	<b>91.4</b>	<b>68.0</b>
<b>Liabilities</b>			
Consumer deposits*	60.3	61.2	19.6
Large time deposits	-50.9	6.5	14.4
Net advance from foreign branches	8.3	2.8	7.2
Commercial paper	1.1	2.4	8.0
Other liabilities	2.1	12.7	18.8
<b>TOTAL LIABILITIES NET</b>	<b>41.8</b>	<b>91.4</b>	<b>68.0</b>

The fact that they have not may indicate sensitivity to the credit concerns of institutional and other big depositors.

In contrast, the \$19.6bn increase in consumer deposits is generally seen as a relatively "big number", reflecting the efforts of the big U.S. banks to attract consumer deposits and, importantly, to "spread" their liabilities and try "every other way to get funds."

Several major New York banks have recently been engaged in a fierce rate battle for new consumer deposits, triggering what Salomon Bros and others have called "a rate war". As a result the average annual effective yields offered on six-month CDs by commercial banks and savings and loan institutions in New York City have increased by about 144 basis points since mid-July.

The other area in which the U.S. banks have stepped up their deposit-collecting activities is from overseas branches. The study's figures add further support to the controversial contention that foreign depositors have helped fund the recent pace of mergers, acquisitions and leveraged buyouts.

The \$7.2bn increase in net advances from foreign branches is large, particularly compared with the \$2.6bn estimated increase in the 1983 second half, but some observers, including Mr Paul Volcker, the U.S. Federal Reserve Board chairman, have suggested the figure could be much larger, perhaps as high as \$15bn.

The other area of expansion on the funding side is the "other liabilities" category. This partly matches the boom in "special items" on bank quarterly results and, in particular, of property and bank headquarters building sales.

What remains to be seen is whether the surge in bank lending survives the recent apparent slowing in growth of the U.S. economy and criticisms by regulators of some types of bank lending.

## Hachette in UK deal

**BY DAVID MARSH IN PARIS**

HACHETTE, the large French publishing group, has taken a further step to strengthen its international activities by buying Seymour Press, one of Britain's largest magazine distributors. The price has not been disclosed.

The acquisition of Seymour, previously owned by the UK holding company Britannia Arrow, will give Hachette an extra lever to boost sales in the British market. The French group, which registered around a third of its FF 9bn (\$1.02bn) turnover last year in foreign press and magazine distribution, intends to integrate Seymour into its international network to complement existing operations in

## West Germany, Belgium, Spain and the U.S.

Seymour is one of the UK's largest magazine and periodical distributors with a quarter of its business consisting of foreign publications. It made pre-tax profits last year of just over £400,000 (\$520,000) on sales of £13.5m. Sales this year are expected to be about £15m.

Mr Hugh Begg, Seymour's chairman, and the rest of its management will remain in place.

Hachette, which boosted its net profits by 20 per cent last year to about FF 320m, has faced financial difficulties in recent years but has now moved firmly into the black.

## Lines which made millions

ASK AROUND the advertising industry for the best campaigns of all time and you are likely to set off a never-ending argument. Judgements about what makes an advertisement good are highly subjective - and the industry's weakness for scattering awards like confetti does nothing to make consensus easier.

In drawing up my top 10 I have observed certain ground rules. First I have only considered long-running campaigns, rather than the individual advertisements where creative excellence is so often found.

Second, to reach the short-list, the campaigns each had to share a number of features. They needed a style, all of their own, which at best became a hallmark, inextricably woven into the perception of the product.

They needed to have survived over time, with sufficient adaptability to allow for fresh meanings of the central message (hence the "golden oldies" flavour to the list). And they had to have the proven ability to shift goods off shelves.

The ultimate test, though, must be memorability - that magic ingredient when an advertisement captures the public imagination and stays there.

The list consists partly of my personal favourites (my thanks to the newly-formed History of Advertising Trust for help in research) and partly of campaigns which the industry admits, after much debate, to admiring universally. So, on the

**THE FT TOP TEN**

**BEST ADVERTISING CAMPAIGNS**

- Avis
- Benson & Hedges
- Bisto
- Guinness
- Esso
- Heineken
- Lifebuoy
- Oxo
- Schweppes
- Volkswagen

*Gives a Man Appeal* was one slogan in the campaign which featured housewife Katie with her fictional husband Philip and baby. Lifebuoy soap made its name on the body odour (BO) ticket with its nudge-nudge routine of the social outcast becoming the washed-up soul of the party after a best friend told him and he took a quick shower.

When Esso begged its tiger in 1952, it found a branding device to signal power, durability, superiority and purpose for the next three decades (and it is still going strong). The beast has featured in various guises in the UK and the U.S.

And so to two aristocrats of more recent pedigree. The Benson & Hedges campaign is regarded by most experts as the ultimate in advertising cigarettes, unsurpassed for sheer bravura, execution and originality. The distinctive surreal stamp, with no copylines and brilliant photography from agency Collett Dickenson Pearce, make the advertisements collectors' items.

Finally, Britain's most famous beer slogan - for Heineken - continues refreshing the parts other beers can't reach. Its imitable invention and consistent flair make it hard to credit that the before-and-after routine is now in its 11th year. Originally with Collett Dickenson and Pearce, it is now with Lowe Howard-Spink Campbell-Eward.

**Feona McEwan**  
Tomorrow: The 10 worst films

# Traded Options have started.

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INTL. COMPANIES

BUSINESS LAW

Elders IXL in pub joint ownership plan

BY LACHLAN DRUMMOND IN SYDNEY

ELDERS IXL is to realise more than A\$100m (U.S.\$65.3m) by shifting to joint venture ownership about 150 of the pubs it inherited with its A\$920m takeover of Carlton and United Breweries.

Lower tax charge boosts Australian Paper returns

BY OUR SYDNEY CORRESPONDENT

NET EARNINGS of Australian Paper Manufacturers were boosted by 38 per cent from A\$51m to A\$70.3m (US\$ 60.1m) in the year ended June 1984 after considerable assistance from a lower tax charge.

BHP to build A\$40m steel mill near Brisbane

BY OUR SYDNEY CORRESPONDENT

BROKEN HILL Proprietary Company (BHP) plans to build a A\$40m (U.S.\$24.1m) steel rolling mill near Brisbane in Queensland and may extend the proposal to include an electric arc furnace steel plant.

Setback for Haw Par

BY OUR FINANCIAL STAFF

HAW PAR BROTHERS, the Singapore-based pharmaceuticals to property group, reports a striking setback to profits for the first half of 1984.

The ADR way round the high cost of litigation

By A. H. HERMANN, Legal Correspondent

BACK IN legal practice, Mr Kingman Brewster, former U.S. ambassador at the Court of St James, has a new international mission: as co-chairman of the task force on Alternative Dispute Resolution (ADR), he spreads the new gospel in Europe.

one party to win, and what order of costs one should anticipate. If asked by the parties, the chairman may suggest a solution to the dispute, but in no case will this be binding in the way an arbitral award is.

The basic structure is a carefully prepared session in which the two parties in dispute are represented by executives who rarely need to refer back... The chairman is a neutral 'wise man'

The two sides then meet and discuss possible settlements. At this stage there is no longer a need to discuss divisive legal issues, or who should win. The aim of this session is to find a solution acceptable to both sides and conducive to further development of their business relationship.

chairman will make a recommendation and that the party which refused to accept it will pay an agreed fine if the recommendation is later confirmed by the court.

Can the U.S. experience be exported? It is sometimes described as the ADR Revolution and there is certainly a managerial revolt against lawyers. It may be seen as an answer to the litigiousness produced by the large size of the U.S. market where parties to a deal are distant and have little mutual confidence.

Would it not be enough to reform civil procedure by merging the two branches of the legal profession and getting legal fees down by means of competition? I doubt it.

Next week: Is ADR a gimmick?

All of these securities having been sold, this announcement appears as a matter of record only.

New Issue / August, 1984



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In accordance with the provisions of the Notes and the Agent Bank Agreement between The Kingdom of Denmark and Citibank, N.A., dated 22 November, 1983, notice is hereby given that the Rate of Interest has been fixed at 10 1/8% pa and that the interest payable on the relevant Interest Payment Date, November 22, 1984, against Coupon No. 4 will be £1374.66.

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**JOBS COLUMN**

**Buying power of managers in different lands**

BY MICHAEL DIXON

HERE are the latest indicators of the buying power in terms of UK prices enjoyed by managers doing similar jobs in different countries.

The figures in the table come from the annual surveys made by Employment Conditions Abroad—a trade association which provides organisations which subscribe to it with data on pay and perks prevailing around the world. My figures refer to only 18 of the 75 or so lands covered by ECA. Readers wishing to know more should contact Ginny Spittie at 13 Devonshire Street, London W1N 1FS; telephone 01-637 7604, telex 299751 Eureka G.

Although the information in the table has been released by ECA only this morning, it was originally collected at the beginning of the year. The figures show, in terms of sterling, the approximate regular take-home pay received at that time by executives at three successively higher levels of management commonly found in big organisations across the globe. The lowest, represented by the left-hand pair of money columns under the heading "Level 1," typifies the chief of a function such as marketing or finance in a single subsidiary operation of a group. Level 2 denotes the head of marketing or whatever covering a division or several subsidiaries. The top grade, level 3, signifies the chief of the function throughout the group as a whole.

Country	Level 1 = head of function in subsidiary		Level 2 = head of function in division		Level 3 = head of function in group		% rise from level 1 1984 (1983)
	1984	(1983)	1984	(1983)	1984	(1983)	
Singapore	21,470	(18,280)	31,940	(25,950)	—	(37,200)	—
Switzerland	22,100	(21,100)	28,100	(26,650)	34,850	(35,550)	66.7 (68.5)
United States	22,230	(20,400)	28,140	(26,100)	35,430	(33,050)	60.3 (62.0)
West Germany	20,370	(18,750)	26,380	(24,400)	34,430	(33,200)	80.6 (77.1)
Canada	20,860	(19,200)	26,250	(23,550)	32,550	(29,450)	56.0 (53.4)
France	19,120	(19,150)	25,870	(25,450)	32,540	(32,200)	70.2 (73.4)
Spain	17,130	(16,650)	23,560	(23,300)	29,840	(29,750)	74.0 (64.7)
Italy	17,020	(16,200)	22,970	(21,850)	30,880	(27,400)	81.4 (70.4)
South Africa	17,610	(16,350)	22,270	(21,050)	30,120	(27,700)	71.0 (69.4)
Japan	18,230	—	21,560	—	—	—	—
Belgium	15,710	(15,450)	19,560	(19,200)	23,460	(23,500)	50.6 (45.0)
Australia	15,910	(15,300)	19,300	(19,200)	24,060	(23,500)	51.2 (53.6)
Netherlands	14,950	(14,250)	18,450	(18,200)	23,370	(23,250)	56.3 (63.2)
Greece	12,550	(10,550)	16,230	(13,600)	—	—	—
United Kingdom	12,560	(11,700)	16,160	(15,300)	20,930	(19,850)	66.6 (69.7)
Denmark	12,360	(8,700)	15,830	(11,000)	20,470	(14,350)	65.6 (64.5)
Sweden	11,400	(8,400)	13,400	(9,000)	16,130	(10,450)	41.0 (24.4)
Ireland	10,410	(10,350)	12,210	(12,000)	14,750	(15,900)	41.7 (53.6)

ECA starts by taking the basic salary plus bonuses which are fixed—as distinct from varying with profits and so on—typically paid to managers at each of the levels in the different countries. From the "gross regular pay" are deducted the social security contributions and tax prevailing in the place concerned at the end of January, assuming in each case that the manager is a native of the country, married and with two children.

The calculations for Danish and Swedish executives take account of tax relief on interest payments on mortgages and so

on, but exclude such variable allowances in the rest of the countries. On the other hand, the regular allowances generally available to married executives with two children are in every case added back in ECA's net pay computations. As an example, the level 2 manager in Singapore has gross regular pay in sterling terms of £52,210. That whittles down to net regular pay of £37,690. That is then translated into purchasing power in terms of the prices prevailing in the UK, which ECA works out with reference to a range of surveys of inter-

national living costs. Since living costs here are generally lower than in Singapore the £37,690 net pay there represents a buying power of £31,940. It is only the buying-power figures for the 1984 and 1983 surveys that are given in the table. I'd like to give the gross and net figures as well, but there isn't room. I would also have liked to rank the countries on the level 3 instead of the level 2 manager, but was stymied by the lack of level 3 figures for Greece, Japan and—this year—Singapore. Before the British particu-

larly get despondent about their lowly position in the purchasing-power league, they should note that the figures take no account of substantial "in kind" perks such as company cars which are more common in this country than in most others. The percentage figures in the farthest right-hand columns show by how much the level 3 executive's buying power exceeded that of the level 1 manager. So the difference can be viewed as a rough measure of the incentive for the lowest ranked to strive for promotion to the top.

**Chief/indians**

RECRUITER George Henderson of Grosvenor Stewart is offering a chief executive's job, among others, on behalf of companies he may not name. He therefore promises to abide by applicant's request not to be identified to the employer concerned at this stage of the proceedings. The chief is wanted for which I can calculate the difference this year, the incentive rose over 1983-84 in six and declined in nine including the UK.

operation. The main weight of business is expected to come from overseas countries including the U.S. and Japan. The base is south-east England. Candidates should have been demonstrably successful both in applying advanced communications technology and in running and developing a business founded on complex, specialised products and services. Salary about £65,000 plus bonus and negotiable perks. Besides the high-tech chief, Mr Henderson is seeking a German-speaking qualified accountant for a financial controller's post in Frankfurt. Candidates need comprehensive knowledge of up-to-date accounting techniques sharpened by experience in a multinational group. Salary about DM 120,000—equivalent to level 1 buying-power for West Germany in the table. Car among other benefits.

Also on offer are an unspecified number of financial consultants' posts with a big accountancy practice centred in London. The need here is for qualified accountants who have risen to financial management responsibility in a go-ahead industry. Salary up to £27,000. Perks for discussion. Inquiries to George Henderson at 62 Pall Mall, London SW1; tel 01-930 7966, telex 826810 GS UK G.

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**Phillips & Drew**

ECONOMIST

There is a vacancy in our Economics Unit for an Economist to help in our forecasting work. Applicants should preferably have had two years' experience in a financial or forecasting environment, but well-qualified recent graduates will be considered.

The successful candidate will join an economic and corporate research team with a high reputation in the City and in Industry. Remuneration is competitive and there is scope for rapid advancement. There are profit-sharing schemes, pension fund and other benefits.

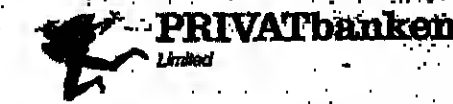
Please send a brief curriculum vitae and apply to:

Dr. Paul Neild, Phillips & Drew, 120 Moorgate, London EC2M 6XP.

**ACCOUNT MANAGER**

We require an additional Account Manager for the UK Marketing team. This is an opportunity to join an expanding area of the Bank and will involve significant exposure to Anglo-Danish business. The right candidates should be self starters aged 25-32 with previous UK corporate banking experience. Remuneration package is negotiable.

Candidates should send their curriculum vitae to: Mrs C Connolly, Personnel Department, PRIVATbanken Limited, 107 Cheapside, London EC2V 6DA.



**Software Sales Specialists (INTERNATIONAL BANKING)**  
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CITY OF LONDON

Hoskyns Banking Systems Division has successfully sold its services to leading banks in the UK and Internationally and is now regarded as one of the most exciting and profitable growth areas within the Hoskyns Group.

In line with the Division's continued programme of expansion, an additional sales executive with a strong track record is sought. The successful applicant should have had direct involvement with financial applications and in line with Hoskyns corporate philosophy possess specific knowledge of the above market place.

In addition to the comprehensive and on-going product training, the appointee will be provided with the support of one of the many teams of computer specialists within Hoskyns; thereby ensuring each client company receives the highest quality of service.

Pre-requisite qualities of the role are professional presentation and a desire to succeed for oneself and for the company. A high basic salary of c.£18,000 + car is being offered together with the other benefits normally associated with a company of this stature. Genuine prospects for advancement exist in the UK and abroad.



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**CREDIT MANAGEMENT**

We are seeking top-rate Credit Analysts for prestigious International and Merchant Banks. Candidates are likely to be graduates, preferably U.S. Bank credit trained and have undergone up to three years broad-based analysis experience within leading named banks. There are excellent promotional prospects with openings into marketing. Salaries range from £10,000-£17,000 plus banking benefits.

Contact: BANKING PEOPLE 01-588 8161

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**Eurobond Dealer**

We seek a Bond Dealer of proven ability to join our well-established team.

Candidates should be in their mid/late twenties and have experience of trading in fixed-interest securities.

Remuneration will be competitive and related primarily to experience. Initial salary will be reviewable after six months.

Applications, which will be treated in the strictest confidence and should be accompanied by a full c.v., should be made to David Packham at:

**Swiss Bank Corporation International Limited**

Three Keys House, 130 Wood Street, London EC2V 6AQ.

**Hoggett Bowers**  
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**Financial Analyst**

Oil & Gas Industry  
London, c.£13,500

The company is the recently created oil and gas division of a major British public group, and is investing heavily in North Sea and U.S. exploration and production. This position is newly created to support their rapid expansion programmes. The job holder will be responsible for the financial evaluation of current and future plans through the design and use of computer driven financial models, the preparation of cash flow forecasts and financial justification reports for major projects. Candidates, 23-30, preferably holding a business or maths degree, should have an interest in commercial matters and some financial analysis experience. Applicants should have good communications skills and a bright personality, coupled with logical innovative thinking. Prospects are excellent. Salary will not be a limiting factor for outstanding candidates.

D. Kingston, Ref. 16047/FT. Male or female candidates should telephone in confidence for a Personal History Form 01-734 6852, Sutherland House, 5/6 Argyll Street, LONDON, W1E 6EZ.

**TULLETT AND TOKYO  
FINANCIAL SERVICES INTERNATIONAL LTD.  
INTEREST RATE AND CURRENCY SWAPS**

The alliance of Tullett and Tokyo Forex International Limited, a leading international money broker with a well-respected team of specialist brokers operating in both money and capital markets, has created a new, extremely dynamic and forward-thinking company.

We are currently looking to expand rapidly from a small base and as a result are seeking a number of individuals who will enable us to enhance and multiply the services offered to clients, especially in the area of interest rate and currency swaps. Great emphasis will be placed upon expertise and professionalism therefore candidates must have relevant experience, preferably gained within an investment/merchant banking environment with a bias towards corporate finance. Candidates, aged late twenties/mid-thirties, should be natural achievers, highly motivated, innovative and willing to work long hours in a highly-competitive and aggressive market place. Initiative as well as results will be rewarded and there will be the opportunity to actively contribute towards the company's expansion strategies.

An extremely competitive remuneration package is being offered but will not prove to be a limiting factor for the right individuals.

Please write, enclosing a detailed curriculum vitae, to: Kevin Beaman

TULLETT AND TOKYO FINANCIAL SERVICES INTERNATIONAL LIMITED  
Ormond House, 63 Queen Victoria Street, London EC4N 4BT

**Economist - Banking**

Williams & Glyn's Bank has a vacancy in its Economics Office for a numerate, well-qualified economics graduate.

The successful applicant will join a small team whose duties include analysing and interpreting economic and banking trends, both in the UK and abroad. He or she is likely to have had several years' experience of general economic analysis and report writing, preferably gained in a banking or other financial institution. A knowledge of computer applications would be an advantage, though this is likely to form only a small part of the job.

We are offering a salary of up to £14,000 inclusive of London Allowance, dependent on experience and the ability to fulfil this challenging position. Other benefits include house purchase, profit sharing and contributory pension schemes, 28½ days holiday and an interest free season ticket loan. Please write with full curriculum vitae to:

D. E. Grant, Recruitment Manager, Personnel Department, Williams & Glyn's Bank plc, New London Bridge House, 25 London Bridge Street, London SE1 9SX.

**Williams & Glyn's Bank plc**  
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Handwritten signature or mark at the bottom of the page.



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For this appointment preference will be shown to candidates with gilt/money market experience and a high level of numeracy. Training in the field of Financial Futures will be provided.

The successful candidate will join the sales team to provide a full range of services to Institutional Clients, primarily in the fixed interest area, but all types of Financial Futures will be covered.

Key to success are a positive approach, good communication skills and, as a member of a small team, the ability to produce results under pressure with the minimum of direction and supervision.

Applications in strict confidence to Victoria Krickic, Director, Messel Futures Ltd., P.O. Box 521, Winchester House, 100 Old Broad Street, London EC2P 2HX. Telephone: 01-606 4411.

**Robert Fleming  
Banking Executive  
for City Merchant Bank**

With the expansion of Robert Fleming's commercial banking business there is a requirement for an additional banking department executive.

The successful applicant will probably, but not necessarily, be in his/her middle or late 20's with banking experience. An accountancy or legal qualification would be a distinct advantage, although practical experience gained will be the prime consideration.

A competitive salary with worthwhile benefits will be offered. Apply in writing enclosing curriculum vitae to:  
F. Smith, Esq., Robert Fleming & Co. Limited,  
8 Crosby Square, London EC3A 6AN.

**Company Secretary**

Cumbria Excellent Package

Vickers Shipbuilding and Engineering Limited, a subsidiary of British Shipbuilders, is one of four specialist warship builders in the UK. Situated at Barrow-in-Furness, the company employs 12,500 people in the high technology activities of their shipbuilding yard and engineering works. The order book is substantial and there is every prospect of profitable stability.

Reporting to the Executive Chairman, the Company Secretary will be responsible for the statutory, legal, property, insurance and administrative matters of the company. Impending privatisation should provide considerable scope and challenge. The successful candidate will most likely be a qualified Solicitor or Barrister who has relevant experience in industry and is commercially minded.

The excellent remuneration package includes a car, BUPA, a contributory pension scheme and full relocation expenses.

For a confidential application form, male or female candidates should ring or write quoting the reference number 682/FT. Telephone (24 hours) 0625 533364.

**Wickland Westcott & Partners**  
Executive Selection/Management Development  
Eagle Star House, 16a Alderley Road, Wilmslow, Cheshire, SK9 1JQ.  
Tel: (0625) 532440.

**Assistant Manager  
Bills and Documentary Credits  
Springboard for the Future**

Are you in your late twenties or early thirties, possess good management skills and looking for the next step up? If so, join this successful British merchant bank which creates opportunities for good managers.

AIB qualified with a good all round education, you are probably a supervisor with at least 5 years' experience in banking and a thorough understanding of bills and documentary credits. The willingness and potential to progress is essential as is enthusiasm and ability to address management problems.

For further information, telephone or preferably write enclosing a CV to Barbara Lord at Cripps, Sears and Associates Ltd (Personnel Management Consultants), 88/89 High Holborn, London WC1V 6LH. Tel: 01-404 5701 (24 hours).

The work environment is efficient and busy in a department of about 24 people. As Assistant Manager - Bills and Documentary Credits you will be responsible for the day to day running of the department engaged in the documentation of international trade within the banking division. You will have considerable customer contact and will be expected to deal with the more difficult credits.

Remuneration includes a negotiable salary c.£18,000 plus normal banking benefits. Success in this job will lead to further management responsibilities.

**Cripps, Sears**

**Assistant Account Managers  
Corporate Banking**

Grindlays is a major international bank with representation through branches, offices, subsidiaries and associate companies in 40 countries throughout the world. We are seeking 2 energetic Assistant Account Managers to work in our Corporate Banking Department in London, which is responsible for the Bank's worldwide business with major UK corporations. The successful candidates will work within a small team and will benefit from a wide variety of specialist training. You should be a graduate with a minimum of 2 years' banking experience, or a qualified ACA. It will be necessary for you to be confident of your ability to deal with customers at the highest level.

These appointments would lead to opportunities for advancement both in the UK and overseas. A competitive salary is offered and benefits include mortgage facilities, non-contributory pension scheme and free lunches. Please send full career details to:

Mrs. J.M. Kerrison, Personnel Officer,  
**Grindlays Bank plc**  
Minerva House, P.O. Box 7, Montague Close, London, SE1 9DH.



**INVESTMENT REPRESENTATIVE**

Based in London

As a successful and progressive mutual life insurance company, NPI is seeking to expand its funds under management.

Our intention is to appoint an Investment Representative whose principal role will be to promote the attractions of the company's group unit pension fund with insurance brokers and other intermediaries, and to play a major part in subsequent investment presentations to trustees of pension funds.

This is a high level appointment within the company structure, and the appointed candidate will be required to assume an integral role within NPI's successful investment team. Applicants will be expected to have had at least 5 years investment experience with a stockbroker or a financial institution, and to be highly motivated, with an outgoing personality and the ability to communicate at the highest level.

The commencing salary will reflect the importance which is attached to this appointment. In addition, we offer the full range of attractive fringe benefits associated with a senior appointment in the insurance industry.

Applications in writing giving personal and career details to date, to:

W. Kingston, Personnel Manager,  
National Provident Institution,  
48 Gracechurch Street, London EC3P 3HH.



**Systems Management**

£16,500 + car

N. W. Kent/London

The rapid growth of an expanding private group demands the appointment of a Systems Manager reporting to the Group Finance Director. Responsibility is for the development of computer systems (IBM 36) and other automated office facilities. As part of the senior management team he/she will advise at group level on the identification of new computer applications.

Candidates aged 28-32 will either be qualified accountants with extensive DP Systems experience, or DP specialists with in-depth knowledge of financial modelling and the provision of financial systems. Prospects are excellent and there is a good remuneration package. Currently based in N.W. Kent, the company is considering relocation to central London.

Applications in confidence to Bernard L. Taylor Quoting reference 6727.

**Mervyn Hughes  
Alexandre Tix  
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Management Recruitment Consultants



37 Golden Square  
London W1R 4AN  
Tel: 01-434 4091

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For a mutually exploratory meeting telephone:  
**InterExec**  
London 01-830 5041/8 (9 Charing Cross Rd, W.C.2)  
Birmingham 021-632 9648 (The Rotunda, New St.)  
Bristol 0272 277315 (30 Baldwin St.)  
Edinburgh 031-226 9589 (47 George St.)  
Glasgow 041-332 3672 (180 Hope St.)  
Leeds 0532 450243 (12 St. Paul's St.)  
Manchester 061-236 8409 (Faulstich House, Faulstich St.)

**The one who stands out**

**ECONOMIST**

The Reserve Bank of Australia is seeking an experienced economics graduate to head a small analytical section in its London Office.

Applicants should have at least 2 to 3 years working experience as an economist and an honours degree in Economics with emphasis on monetary theory/policy, and international economics. A background in analysis of current economic and financial conditions would be an advantage.

The appointment will be on the basis of a three year contract. Salary will be negotiable.

Applications stating age, qualifications and experience should be made in writing to the Chief Representative in Europe, Reserve Bank of Australia, 10 Old Jersey, London, EC2R 5DT.

**LEASING AND ASSET FINANCE EXECUTIVE**

c.£15,000 + Car + Benefits

We are a young city based finance company within a substantial and respected European Banking Group. We specialise in UK Leasing, Hire Purchase, Leasing Broking and Cross-border asset based transactions.

With an executive with considerable leasing and asset finance experience to market our services and assist with the administration of the existing portfolio. Applicants, aged 25-35, should have experience obtaining and evaluating business, accounting, administration and documentation. An attractive salary is offered together with a car and other bank benefits.

Please send CV in confidence to:  
Andrew Bell, General Manager,  
SVENSKA FINANS (UK) LIMITED,  
28 Austin Friars, London, EC2N 2LQ.

**BUSINESS DEVELOPMENT MANAGER**

ANNUAL REPORTS LIMITED, part of the Michael Peters Group PLC, is one of the fastest growing consultancies in the financial communications industry. Our success is due to our creative and innovative approach coupled with the absolute professionalism required by our blue chip clientele.

As a result of our growth we are making a new appointment of an account executive responsible for business development and project management.

Candidates should be aged around 25-30, ideally graduates with a high standard of professional selling experience preferably in financial communications.

Please write, enclosing a full C.V., to:  
David Hague, Managing Director,  
Annual Reports Limited,  
4 Pembroke Mews, London W11 5EQ.  
Telephone: 01-229 9303

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**Appointments Wanted**

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Available in an executive or consultative capacity on a part-time or "on call" basis. Expert in Business Planning, Analysis and Control. My services would ideally suit medium to small companies unwilling to commit to a full time financial presence. Write Box A8717, Financial Times, 10 Cannon Street, London EC4P 4BY

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seeks opportunities for his idiosyncratic talents. Imaginative, energetic if somewhat rusty. Good yet for a few thousand miles. Write Box A8718, Financial Times, 10 Cannon Street, London EC4P 4BY

**INTERNATIONAL BANK ECONOMIST**

American Express Bank is seeking an International Economist to join its economic team headquarters in London.

The Economics Department is responsible for all economic input to the Bank worldwide including Country Risk analysis and money and currency research, and for the AMEX Bank Review. The Economist would be expected to contribute to all functions of the department and to quickly assume responsibilities.

Applicants to be in their early 20's, should have a sound economic training including a second degree. An ability to prepare and present concise economic reports for management is essential.

A competitive salary will be offered with the usual Bank fringe benefits.

Please apply in writing, stating full particulars to:

The Chief Economist,  
American Express International Banking Corporation,  
12/15 Fetter Lane,  
London EC4A 1FT.

**GILT DEALER**

A leading firm of Dublin Stockbrokers requires a dealer for their Gilt Department. Applicants should have had experience in financial markets, preferably in Government Securities. An economic background would be an advantage.

Remuneration is negotiable and will reflect the importance of the position.

Applications which will be treated in strict confidence should be sent to M/S Matheson Ormsby & Prentice, Solicitors, 20 Upper Merrion Street, Dublin 2, marked Ref 94.

**CANADIAN IMPERIAL BANK OF COMMERCE**

The longest established Canadian Bank in London is expanding its Treasury Operations and is seeking to fill the following two positions in our London Dealing Room.

**CORPORATE TREASURY SERVICES OFFICER**

The person we are recruiting should have a minimum of 3/4 years' experience trading Foreign Exchange and Currency Deposits.

He/she will not necessarily have had previous experience of servicing clients but will be able to communicate in a confident and informed manner. Fluency to a second language, preferably French or German would be an asset.

**SPOT AND FORWARD DEALER**

The person we are seeking to fill this position should have 3/4 years' experience trading the major currencies in the Spot and Forward markets. Additionally, experience in Currency Deposit Trading and a working knowledge of a second language, would be beneficial.

A competitive salary will be offered for both positions together with an excellent employee benefits programme which includes low-interest mortgage, non-contributory life assurance and pension schemes.

All applications will be treated in confidence. Write giving details of age, education and business experience to:

Mr. D. L. Lang, Vice-President, Treasury Operations,  
CANADIAN IMPERIAL BANK OF COMMERCE,  
55 Bishopsgate, London, EC2N 3NN.

**COAL TRADERS CENTRAL LONDON**

A multi-million pound energy trading company (oil and coal), based in Scandinavia, is expanding its established activities in worldwide energy coal trading and services, and can offer interesting opportunities for two persons of the highest calibre working as part of their UK representative team. A reasonable amount of overseas travel is envisaged for both positions.

**COAL TRADER**  
Candidates, probably aged 27-35, demonstrating a proven trading record, must have existing good contacts within the international coal markets and be interested to develop and expand them. Must also have gained sound knowledge of documentary aspects in particular, shipping and banking. This is a challenging opportunity for a self-motivated, mature and positive individual, reflected by a competitive remuneration.

**ASSISTANT COAL TRADER**  
Candidates, probably aged 23-28, should have a strong academic background, with at least 2 years' experience in a competitive trading environment, preferably in an energy or shipping-related field. Your responsibilities will include world-wide scope of trading within the existing network, and assisting in the development of new client relationships. Your personal attributes should include creative energy, numeracy and strong communicative ability. The remuneration package will be attractive for those candidates with the urge to enter a position with considerable career potential. Please write, in strictest confidence, with comprehensive C.V. to: Box A8714, Financial Times, 10 Cannon Street, London EC4P 4BY



# Accountancy Appointments

## Ambitious Accountants

with commercial flair - Financial Services

London and Birmingham

Our client is a leading group in the financial services sector. Its success is founded on a strong market orientation coupled with a policy of attracting, developing and rewarding high calibre staff. In order to build on the group's success, there is an additional need for capable Finance Managers in London and Birmingham. These appointments will carry extensive responsibilities covering financial planning, budgeting and the further development of information systems. A substantial contribution to the group's overall business strategy will also be required.

Candidates should be qualified accountants with a good degree and a record of achievement in commerce or industry. Personal skills must include energy, initiative, self-reliance and the ability to communicate

to £20,000 plus banking benefits

authoritatively at all levels. The preferred age range is late 20's to mid 30's.

For the right candidates the remuneration and prospects are excellent.

Please reply to Mark Birchenbough in strict confidence with details of age, career and salary progression, education and qualifications, quoting reference 1353/FT on both envelope and letter. Interviews may be held in London and Birmingham.

**Deloitte  
Haskins + Sells**  
Management Consultants

128 Queen Victoria Street, London EC4P 4JX

## Financial Controller

High Tech

City area

to £25,000+car/  
share options



**Arthur Young McClelland Moores & Co.**

A MEMBER OF ARTHUR YOUNG INTERNATIONAL

This UK company designs, assembles and markets in the UK and U.S. a unique state-of-the-art personal computer. Its features are currently without competitor, with applications predominantly in the technical field. Currently shipping pre-production models, sales next fiscal are planned to be in the region of £4-£5 million. Operational management now requires an experienced finance-oriented business person to bring proven management skills to complement the technical and creative skills of the current team. The first task is to establish effective financial controls appropriate to keep pace with the planned growth of the company. Beyond this, the role demands an active, commercial input to the entire decision-making process.

Candidates will be qualified accountants. They must have evidence of a successful track record in the small, rapidly growing high technology environment. This will include experience of assembly operations as well as of influencing sales and marketing functions. Intellectual agility combined with a positive, optimistic and international outlook will be required to match the company's management style. Please reply in confidence giving concise career, salary and personal details quoting Ref. ER716/FT to I. D. Tomisson, Executive Selection, Arthur Young McClelland Moores & Co., Management Consultants, Rolls House, 7 Rolls Buildings, Fetter Lane, London EC4A 3TNH.

## Head of Internal Audit

The Insurance Corporation of Ireland Limited

A Member of the Allied Irish Banks Group

The Insurance Corporation of Ireland Limited is Ireland's largest general insurance company with an aggressive growth record whose assets now exceed IR£400 million.

Activities of the group include general insurance, life assurance, reinsurance and property development, with considerable overseas insurance involvement through subsidiaries, branches and agencies.

Applications are invited for the newly created position of Head of Internal Audit. The appointee will be involved in setting up the internal audit function at the Insurance Corporation and in the recruitment of the internal audit team. Duties will extend beyond financial auditing to include the review of operational activities.

The successful candidate, who will be at least 30 years of age, will be a qualified accountant, with an extensive audit background. Experience of the insurance industry is required and should include a period of time operating at a senior level in the industry or in a professional office. Knowledge of EDP auditing would be advantageous.

Candidates should have good oral and written communication skills and be capable of relating effectively to all levels of management.

This is a senior appointment and the remuneration package will be commensurate with the responsibilities involved.

Please send comprehensive personal, career and salary details, quoting reference PR/1583, to

Ernst & Whinney,  
Stephen Court,  
18/21 St. Stephens Green,  
Dublin 2

to reach us not later than 10 September 1984.

**EW Ernst & Whinney**

## Financial Director

North of England

c.£17,500+car

Our client, a major and diverse public group of companies wishes to recruit a Financial Director for an important subsidiary company in the Group. The subsidiary company manufactures plastic extrusions and currently has a turnover of approximately £10m.

Reporting directly to the local Managing Director, the Financial Director will have overall responsibility for the financial accounting, management information, cash management and systems development of the company.

The successful candidate aged 30-45, must be a qualified accountant, with a proven and successful track record in a commercial environment.

He/she will need the flair and confidence to deal with management at all levels and must have excellent communication skills.

The position offers an attractive benefits package, including a company car and re-location expenses would be payable for the right candidate.

Please write to the following address providing details of how your career to date meets these requirements.

D. M. Lees, Esq.,  
Executive Selection Division,  
Price Waterhouse,  
York House, York Street,  
Manchester M2 4WS.

**Price  
Waterhouse  
Associates**

## Business Planning and Internal Audit

Two key management roles in international pharmaceuticals

Roussel Laboratories, part of one of the world's largest and most successful pharmaceutical companies, specialise in the research, development, manufacture and marketing of ethical pharmaceuticals.

We are shortly moving our UK headquarters to impressive new premises at Denham, Bucks, and need two ambitious and highly professional people with good interpersonal skills to join our management team.

**Business Planning Manager:  
to £18,000 + car**

You will be responsible to the Accounting and Corporate Planning Manager for co-ordinating, controlling and commenting on all the company's operating plans, and for co-ordinating management reporting to the French parent company for the UK company and its subsidiaries.

An ACCA, ACMA or ACA, aged late 20s-40, you must have at least four years' post-qualification experience in industry involving planning, budgeting and investment

appraisal, and including the use of computerised business modelling systems. A working knowledge of French would be a particular advantage.

**Internal Auditor:  
to £15,500**

Reporting to the Company Secretary, you will implement and administer to the highest professional standards a comprehensive, practical, internal auditing programme. You will be expected to ensure that all new business systems, computerised or manual, are designed with an adequate level of internal control.

Probably over 25, possibly with a relevant professional qualification, you must have at least two years' internal audit experience and a knowledge of computer systems.

The negotiable salaries are supported by a range of first-class benefits including free family BUPA, free restaurant, free life, personal accident and sickness insurance, contributory pension and removal expenses where appropriate.

Please send a detailed cv, or ring or write for an application form, to Elizabeth Bedford, Roussel Laboratories Limited, Roussel House, Wembley Park, Middlesex HA9 0NE Tel: 01-903 1454.

ROUSSEL



## Financial Services Manager

C. London

£20,000+ car

Our client is one of the UK's largest and diverse corporations with a worldwide business base. Significant interests in capital goods, general industry, consumer related products and financial services, has led to a turnover of £3 billion.

An exciting opportunity has arisen for a qualified accountant to fulfil a strategic role within the corporate finance team. Responsible for the financial accounting and taxation affairs of the group's European region, the successful candidate will also be required to undertake a variety of special investigations and assignments.

Aged in their mid-30's, candidates will have developed excellent communicative skills and possess first class technical ability. Considerable experience of consolidation techniques, UK statutory accounting requirements and a knowledge of tax laws are pre-requisites for the position.

Individuals with personal initiative and the potential to make a positive contribution within this dynamic group, will have ample scope for future advancement.

Candidates should write to Philip Cartwright, ACMA, Executive Division, enclosing a comprehensive curriculum vitae, quoting reference 151, at Michael Page Partnership, 31 Southampton Row, London WC1B 5HY.



**Michael Page Partnership**  
International Recruitment Consultants  
London New York Bristol  
Birmingham Manchester Leeds Glasgow

## ACCOUNTANCY APPOINTMENTS

Rate £34.50

per single column  
centimetre

Minimum 3 centimetres

## Group Accountant - Company Secretary

City based

c£20,000 package + car

Our client, established in 1977, is principally a specialist Lloyd's Marine Reinsurance Broker. A highly profitable group, it recently achieved a successful placement on the USM and has now identified a requirement for a qualified Accountant.

Working in close liaison with the Chairman and Directors of the parent company and Associate Directors of the principal subsidiary, this position encompasses both basic financial skills and a substantial involvement with company secretarial duties and other assignments. Aged mid 30's, you will possess sound managerial ability and tact in order to make a positive contribution to day to day problems. The potential to communicate effectively, both orally and in written reports, with non-financial executives is essential and previous exposure to computerised systems and a Lloyd's Insurance Broking environment would be an advantage. Candidates with the necessary presence and personal initiative will find this responsible position both challenging and rewarding and the attractive remuneration package includes generous fringe benefits and a company car.

Candidates should write to Don Day, FCA, Executive Division, enclosing a comprehensive curriculum vitae, quoting ref. 149, at Michael Page Partnership, 31 Southampton Row, London WC1B 5HY.



**Michael Page Partnership**  
International Recruitment Consultants  
London New York Bristol  
Birmingham Manchester Leeds Glasgow

## Financial Controller

Financial services

London

c. £16,000

Our client is the London office of a major US financial institution. Owing to expansion, a qualified accountant is now required to head up a small department. Duties will include the design and installation of new management information systems, and regular liaison with other offices in the group.

The ideal candidate, probably aged around 30, will have experience in a commercial environment, and some knowledge of DP systems.

This is an interesting opportunity for a practically-minded accountant seeking a career step forward.

Please write to M J B Ping, enclosing a detailed C.V. quoting reference F 624/P.



**Ernst & Whinney Management Consultants**  
Becket House, 1 Lambeth Palace Road, London SE1 7EU.

## FINANCIAL CONTROLLER

Based

Central London c£30,000 + Car + Benefits

Our client, an expanding international group operating hotels and residential properties in the UK and North America with a majority shareholding in a public company, is seeking a first class professional to take responsibility for all aspects of its financial management. The principal duties comprise:

- Overseeing the operation and establishment where necessary, of the computerised financial and management information systems of the group companies
- Preparation of budgets and financial projections
- Ad hoc financial studies
- Provision of advice on financial and taxation implications of proposed developments
- Liaison with the group's external advisers

This is a newly created position and offers a unique opportunity for a qualified chartered accountant, with at least 10 years experience of international commerce and tax planning at controller level. Ideally, but not necessarily in the property industry, to exercise his/her managerial skills to the full. Candidates will be in the age range of 35-45 and be able to demonstrate tangible achievements in their career to date. The essential personal qualities required are the ability to communicate effectively and authoritatively on financial matters and the creativity to respond to entrepreneurial ideas.

Applications giving full personal and career details should be sent in writing quoting reference M1121/2 to Dr Geoffrey M. Sear, FCA at:

**Stoy Horwath Limited**  
Management Consultants,  
Executive Recruitment Division,  
128 Baker Street, London W1M 1PL.



**INTERNAL  
TRAINEE AUDITORS  
(Banking)**

A large growing international Bank with offices in 70 countries is further expanding its Audit Division and seeks candidates who will be young graduates and MBAs who would like to make a career in Internal Auditing. Selected candidates will be offered intensive training before absorbing them. Applicants should be prepared to travel both within the UK and abroad.

The compensation package will be fully competitive. Eligible candidates should apply latest by 14th September, 1984, at the following address with full C.V. and a passport size photograph.

Mirza I. Ahmad,  
Audit Division,  
Bank of Credit and Commerce International S.A.,  
100 Leadenhall Street, London EC3A 3AD.

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# Accountancy Appointments

## Financial Controller

North West Circa £15,000 + car

The skill to interpret financial information and assess its business implications will form the major challenge of this role. Our client is an £8 million manufacturing company which forms part of a large profitable American Group. Reporting to the Managing Director, the successful applicant will manage a team of 8 and have responsibility for business planning, budgetary control and the production of monthly and annual accounts to strict deadlines. The development and enhancement of the company's sophisticated computerised systems will also be an important aspect of the position. Candidates, aged approximately 28-35 years, must be qualified Accountants, with an extensive relevant background in a manufacturing environment with fully computerised systems. The ability to communicate effectively and work under pressure are also essential requirements as is a willingness to travel in Europe occasionally. Benefits include a 2 litre car, BUPA membership, excellent pension plan and assistance with relocation if necessary.

For a confidential application form male or female candidates should ring or write quoting the reference number 686/FT. Telephone (24 hours) 0625 533444.

**Wickland Westcott & Partners**  
Executive Selection/Management Development  
Eagle Star House, 16a Alderley Road, Wilmslow, Cheshire SK9 1JX  
Tel: (0625) 532446.

## Financial Analysis Manager High Growth Engineered Products

Berkshire • to £17,000 + Car

Our client, the European HO of a major U.S. Corporation, manufactures and markets high-quality branded consumer and consumer durable products, operating plants and regional sales organisations in the UK, Scandinavia and in most major western European countries. European sales exceed \$100 million; the brand is a household name.

The Financial Analysis Manager is responsible for the scrutiny, analysis and consolidation of the short and long-term financial, profit and capital expenditure plans of the various European operations and the supporting management commentaries. The manager will report on performance against plan, highlighting problem areas and stimulating action, and will carry direct responsibility for review and assessment of sales and marketing programmes, new product and product modification plans, and related capital projects.

The successful candidate will report to the European Controller and should:

- be a graduate or of equivalent education, or a qualified accountant.
- have direct, practical experience in a manufacturing environment of financial planning, analysis and reporting in a sizeable subsidiary, or at the centre of a large international organisation.
- be possessed of great energy, commercial acumen and having a high level of interest in business.
- be aged, probably, 28-35.

Security benefits are good: as are future prospects. Removal costs will be met and help given with other problems associated with family re-location. Initial meetings will be arranged locally, possibly outside office hours. Brief application should be sent to John Hearn at this address:-

**Hearn Healy & Partners**

Management & Recruitment Consultants  
Westmorland House, 127 Regent Street, London W1R 7HA. Tel: 01-734 6267

## ACCOUNTANTS FOR MANAGEMENT CONSULTANCY

Age 32 - 40 London to £25,000 + car

We are the rapidly expanding consultancy arm of a major international accounting firm. We seek qualified accountants with:

- a good first degree;
- sound industrial or commercial experience;
- the ability to express themselves lucidly, both orally and in writing;
- a confident and assured manner.

Please send a full career résumé including salary history and day-time telephone number, quoting ref: 2192 to M.R. Hurton.

**Touche Ross & Co.**

Hill House 1 Little New Street London EC4A 3TR Telephone: 01-353 8011

## Financial Controller

Board Potential

Central London

c£20,000 + Car

Our client is a well established retail organisation trading throughout the U.K. Turnover is in excess of £5 million.

The company has ambitious development plans to diversify its activities through extension of the product range and by acquisition. A high calibre Financial Controller is now sought to operate at Board level and be responsible for all financial, computer and company secretarial aspects of the business. This is regarded as a key position in the organisation and there will be ample opportunity to contribute to the company's development and growth.

Candidates will be Qualified Accountants, aged 30-45, with broadly based financial experience in a retailing environment. In-depth experience of d.p. systems is an important requirement.

This is a demanding position calling for a high level of financial skill and commercial acumen, coupled with the ability to work well as an integral part of a management team committed to success.

The company offers an attractive remuneration package including car and other benefits. There are excellent prospects of a Board appointment in the short term.

Please send concise details including salary and day-time telephone number quoting ref: 2021 to W S Gilliland, Executive Selection Division

Thornton Baker Associates Limited, Fairfax House, Fulwood Place, London WC1V 6DW.

## Chief Accountant

West London

c£20,000 + car

A subsidiary of a leading British hi-tech group currently seeks a Chief Accountant to take responsibility for a sizeable accounting function. Specialising in the design, manufacture and marketing of electronic equipment, the company has a current turnover in excess of £60 million.

Reporting directly to the Finance Director, this role encompasses a wide range of accounting tasks in support of domestic and international operating activities. Utilising standard costing procedures and computerised systems, responsibilities will include:

- The co-ordination and compilation of budgets
- Cash flow control, treasury assignments and financial modelling.

Applicants, aged mid 30's, will be qualified accountants with first class interpersonal and management skills. Previous experience together with in-depth exposure to a progressive commercial environment, gained in a manufacturing company, are vital factors.

This position represents a challenging career opportunity, with some international travel involved, and will be rewarded with an excellent salary package, a company car and generous relocation expenses where appropriate. There are good prospects for promotion within this dynamic group.

Candidates should write to Don Day, FCA Executive Division, enclosing a comprehensive curriculum vitae, quoting reference 150, at Michael Page Partnership, 31 Southampton Row, London WC1B 5HY.



**Michael Page Partnership**  
International Recruitment Consultants  
London New York Bristol  
Birmingham Manchester Leeds Glasgow

## Group Internal Auditor

International Transport c.£40,000

This new opportunity to join a major international transport company with extensive operations throughout the UK, Europe and North America arises from its rapid and successful growth. Group turnover is in excess of £1 billion.

Reporting to an Executive Director the Group Internal Auditor will be responsible for the establishment and maintenance of an effective audit function based on reviews of senior management procedures, profit performances, systems and controls. Based in London, considerable international travel is required. Career opportunities are excellent.

Candidates, probably aged 30 to 35 must be qualified accountants with internal and management auditing experience in an international company. The right person will be an individual able to select their own target areas and fearless but realistic in their assessments of action required. Good written and oral French is sought and knowledge of German would be useful.

Please send full details - in confidence - to Jim Ranger, or telephone for a personal history form quoting ref. ES.211.

This appointment is open to men and women.

**MSL EXECUTIVE SEARCH LIMITED**

International Management Consultants  
52 Grosvenor Gardens London SW1W 0AW  
Tel: 01-730 0255

## ASSISTANT TO GROUP F.D.

A challenging new position has arisen out of the expansion of this small, high-tech group. Joining a young, forward looking management team you will assume responsibility for financial management throughout the group, in particular the development of financial systems. Suitable candidates, aged 27-32, will be qualified accountants possessing experience of micro computers and exposure to small subsidiaries. A practical and commercial approach to accounting is as important as technical expertise.

BEDS. Ref: JG. c. £17,000 + Car

## EUROPEAN AUDIT

Our client, a major U.S. multinational in the FMCG sector requires two senior auditors to join a small professional team. Dealing with a mix of financial and operational audit and MIS review, the successful candidates will visit a wide variety of European locations and could be based in any major City. Prospects towards a controllership are excellent; progression from the Audit Department being an established career path within the corporation. Candidates should be 28-35, prepared for a travel content of c.60% and fluent in at least one European language.

Ref: GR. c. £18,000

**ROBERT HALF**  
FINANCIAL RECRUITMENT SPECIALISTS  
ROMAN HOUSE, WOOD STREET, LONDON, EC2Y 5BA 01-635 5491.

## Corporate Review

City c£13,000 + bens.

Our client, a prestigious Accepting House is renowned for its highly innovative approach in developing and broadening a wide range of merchant banking services. They have identified a need for an additional Financial Executive in the Internal Audit department.

This challenging position will involve a substantial percentage of special assignments including systems development and profitability analyses. In addition, the successful candidate will be involved in the audit of the Bank's London and Overseas branches.

This senior role would ideally suit a Chartered Accountant from one of the larger audit firms, or a member of the Institute of Bankers, with Clearing Bank Inspection expertise. Organisational skills, the ability to identify priorities and a strong personality are important attributes for the position. Some exposure to a banking environment would be a distinct advantage. An attractive package will be offered and the career prospects are excellent.

Interested candidates should contact Neal Wyman, ACA, on 01-242 0965 at Michael Page Partnership, 31 Southampton Row, London WC1B 5HY, quoting ref: L1012.



**Michael Page Partnership**  
International Recruitment Consultants  
London New York Bristol  
Birmingham Manchester Leeds Glasgow

## Major International Bank CORPORATE TAX SPECIALIST c£15,000 + benefits

Our client, a leading international bank wishes to recruit an additional tax specialist for its European Corporate Tax Department based in the City.

This appointment, which will require the successful applicant to work as part of a small team, will primarily involve responsibility for the bank's own corporate taxation affairs, including tax planning as well as compliance work. In addition the position will entail involvement, to a lesser degree, with VAT as it impacts the bank's business.

Candidates for this progressive career opportunity are likely to be recently qualified accountants aged in their twenties with some taxation experience gained within the profession or of commercial environment.

The position offers an attractive salary package inclusive of standard fringe benefits normally associated with a major international bank.

In the first instance please contact Leslie M. Squires.  
Telephone 01-588 6644.

Anderson, Squires  
Bank Recruitment Specialists  
85 London Wall, London EC2

**Anderson, Squires**



## FINANCIAL ACCOUNTANT

25-30 Central London

This is an exceptional opportunity for a young Chartered Accountant with a first class academic background to become part of a small professional team within a successful independent film company.

The position will involve financial control of UK companies and partnerships involved in the film industry, corporate and personal tax planning, and control and overview of film productions and distribution. Some travel is envisaged both at home and abroad. Forward thinking, the successful candidate will possess good leadership skills and be able to liaise closely with legal and other professional bodies in the film and music business. A knowledge of computers would be useful.

This position will command an excellent compensation package and provide attractive career prospects for the right candidate. Interested applicants should apply in writing, together with a full career résumé, to:

The Personnel Manager,  
26 Cadogan Square,  
London SW1X 0JP

## Hoggett Bowers

Executive Search and Selection Consultants  
BIRMINGHAM, CARDIFF, GLASGOW, LEEDS, LONDON, MANCHESTER, NEWCASTLE and SHEFFIELD

## Plant Controller

East Midlands, to £17,000 plus car

This is a demanding appointment within the U.K. subsidiary of a major international manufacturer of automotive components. Reporting to the Plant Director, responsibilities will be for exercising a number of cost and budgetary control over plant activities and for the development and analysis of cost and profit budgets. There will be considerable involvement with other Line Managers as the Controller is a key member of the Plant Management team and will be expected to contribute significantly to the profitable operation of the plant. Candidates, aged 28-35, should be qualified accountants with an enquiring mind and a forceful and persuasive personality. At least 5 years' experience of accounting at plant level is required, ideally gained within the automotive industry. Promotional prospects are excellent and a relocation package is available if required.

R.R. Varley, Ref: 35351/FT. Male or female candidates should telephone in confidence for a Personal History Form 021-622 2961, Albany House, Hurst Street, BIRMINGHAM, B5 4BD.



# Accountancy Appointments

**OIL INDUSTRY**

## Senior Accountant

**LONDON** c.£14,000

Deminex UK the British subsidiary of an international oil company now has some fifty exploration and development projects and this further growth has created a new position for a highly motivated professionally qualified Accountant aged between 23-35 with a minimum of 3 years of industry experience.

Reporting to the Chief Financial Accountant duties will include assistance in the preparation of monthly and year end accounts and ensuring that the company's interests in their exploration and development projects are accurately recorded and controlled.

Candidates must have very good knowledge of UK Statements of Standard Accounting Practice and Recommended Practice and of the accounting implications of the 5 Company Acts, Oil Taxation Act, and North Sea oil joint venture accounting. Experience with PFI accounting mechanisms, field depreciation methods and computerised accounting is also expected.

The position requires the successful applicant to have good interpersonal skills, be well presented and able to communicate as they will represent the company at project accounting sub-committee meetings.

This is a challenging opportunity and, apart from salary, includes an impressive benefits package. Please send full c.v. to Mrs Fay Corrie-Smith, Personnel Officer.

**DEMINEX UK OIL AND GAS LIMITED**  
Bowater House, 68 Knightsbridge, London SW1X 7LD  
Telephone: 01-589 7033

## Chief Accountant

£18,000 + 2 cars + super benefits

Middx

Due to promotion, a leading car importer requires a Chief Accountant for its subsidiary company. Responsible to and working closely with the Managing Director, he/she will be expected to take complete control of the financial area and some administration. As this position requires more than pure financial skills, flexibility and a broad commercial outlook are essential requirements. A resilient approach allied to considerable strength of character are necessary personal qualities. Candidates will be qualified accountants aged mid 30's with staff control experience and knowledge of computerised systems. Prospects for advancement are good and the benefits package unusually generous.

Applications in confidence to Bernard L. Taylor Quoting reference 6728.

**Mervyn Hughes  
Alexandre Tic  
(International) Ltd**  
Management Recruitment Consultants

37 Golden Square  
London W1R 4AN  
01-434 4091

## ACCOUNTANTS

**FINANCIAL CONTROLLER DESIGNATE PUBLISHING**  
CITY £13,000

Challenging opportunity within major subsidiary of international publishing group, suitable for ambitious newly qualified ACA/ACCA/ICMA. High-calibre technical skills, commercial acumen and a flair for computer systems development are essential qualities. Attractive benefits package. Promotion to Financial Controller is envisaged within 18 months.

**GRADUATE ACCOUNTANT PUBLISHING**  
W.1. £12,500

Continued expansion within this internationally renowned publishing group has resulted in the need to strengthen their management team. Suitable candidates will be graduates and qualified, display effective communication skills, a highly professional approach and the ambition to progress rapidly within a highly commercial environment. Attractive remuneration and benefits package.

CONTACT KAREN McFARLANE S.A.  
01-877 4622

**GK ACCOUNTANCY**  
RECRUITMENT CONSULTANTS

## Financial Director (Designate)

West Yorkshire c.£20,000 + car, etc.

This senior appointment is with a well established and successful engineering subsidiary of a medium sized plc.

Reporting to and working closely with the Managing Director, the successful candidate will accept total responsibility for the financial management of the company and in particular have a sound understanding of, and the ability to communicate the needs of the company in terms of more highly sophisticated computerised systems development.

This opportunity will appeal to a qualified accountant (ACMA, ACA, ACCA) with a successful career profile to date gained within a commercially demanding manufacturing environment. Candidates must have sound communication skills together with the ability to advise and influence the commercial decision making policies of the company.

In addition to an excellent commencing salary, the post carries a company car and other benefits together with relocation assistance in appropriate circumstances. Ref: 84/1024 FT

Apply in the first instance to Brian R. Daniels, Daniels Bates Partnership, Josephs Well, Hanover Walk, Park Lane, Leeds LS3 1AB. Tel: (0532) 461671 (5 lines).

**Daniels Bates Partnership**  
PROFESSIONAL RECRUITMENT.

## Young ACA Merchant Banking

City based £15,000 + Bonus + Excellent bank Benefits

As a result of promotion, an exceptional opportunity has arisen for a recently qualified ACA to join the management team of a major Merchant Bank.

Your role will involve the financial accounting of the banks' activities in general, with an emphasis on foreign trading, money markets positions, business development and corporate finance.

Ideally aged mid to late 20's with a desire to progress to line management you will have had experience of Banking Clients gained within one of the leading professional firms. To apply please telephone or write quoting Ref: FT 8352.

**Lloyd Chapman Associates**  
123, New Bond Street, London W1Y 0HR 01-499 7761

## International Appointments

### PROJECT ACCOUNTANT

Saudi Arabia c.£25,000 tax free

Cable and Wireless has established a nationwide telecommunications network for the Saudi Arabian National Guard and now wishes to recruit an Accountant possessing one of the recognised British professional Accountancy qualifications. Supervising a small team of accounts staff and reporting to the General Manager (Administration), you will be responsible for all financial aspects of the project throughout Saudi Arabia. Your main duties will include:

- the provision of regular financial information and reports to Head Office, Local Management and the Ministry of Defence.
- Control of substantial funds ensuring adequate funding available whilst maximising interest earned on deposit.
- development of both computerized and manual management information systems.

This demanding role calls for a minimum of two years post-qualification experience and the ability to communicate effectively at all levels.

You must hold a current UK driving licence and passport. Previous experience in the Middle East would be a distinct advantage.

For this one year renewable contract we are offering single or married accompanied status with benefits including fully air conditioned accommodation and generous home leave. Applications from Arabic speakers and Saudi Arabian Nationals would be welcomed.

Please either send full details, quoting reference FT904 and your daytime telephone number to: Recruitment Manager, Cable and Wireless PLC, Mercury House, Theobalds Road, London WC1X 8BX or telephone for an application form on 01-242 4433 extension 4008.

**Cable and Wireless**  
WE'VE GOT CONNECTIONS

## FINANCIAL CONTROLLER

required for the Editorial Department of the Financial Times Newspaper

The successful applicant will be responsible for the monitoring and control of the editorial budget and, in addition, for the production of monthly management accounts, forecasts, budgets and the provision of management information.

He/she will report to the Editor with a functional responsibility to the Finance Director of the Newspaper. It is unlikely that applicants under 35 would have sufficient experience for this post; a financial background in industry or commerce is necessary. The salary will be commensurate with the experience and seniority of the candidate.

Interested applicants should write, giving brief curriculum vitae details, to:

Mr A.C. Miller, Finance Director  
Financial Times Newspaper  
Bracken House 10 Cannon Street  
London EC4P 4BY

## CHIEF ACCOUNTANT

£14,000 + Car

Our Middlesex-based clients have experienced rapid expansion as multiple retailers thereby creating a requirement for a qualified Chartered Accountant.

Candidates, who should ideally be aged between 28-33, should forward a full C.V. to:

Simon Noakes,  
Beavis Walker,  
14 Southampton Place,  
London, WC1A 2AJ.

## GROUP ACCOUNTANT E.C.3

Negotiable over £20,000

A Chartered Accountant, aged early 30's, is required for the financial and secretarial control of a group of Companies—several of them involved in Lloyd's Underwriting Agency activities.

A general commercial outlook, an analytic intelligence and the ability to grow with a developing organisation are the main requirements.

Previous Lloyd's experience is not essential, but helpful.

For further information please contact Mr D. R. Whalley, WHALLEY PETRE LIMITED, Executive Selection, 6 Martin Lane, London EC4M 6DL. Telephone 01-623 9227, quoting Ref. No. 606.

## NEWLY QUALIFIED ACCOUNTANCY APPOINTMENTS

The Financial Times has arranged with the Institute of Chartered Accountants to publish a list of those candidates who were successful in the recent Part II examinations.

We propose to publish the list in our issue of Thursday, September 27, which will also contain several pages of advertisements under the heading of "Newly Qualified Accountancy Appointments." The advertising rate will be £34.50 per single column centimetre. Special positions are available by arrangement at premium rates of £40.50 per sec. Newly Qualified Accountants, especially Chartered, are never easy to recruit—don't miss this opportunity!

We will also be including in this feature a **GUIDE TO RECRUITMENT CONSULTANTS** and entries in the guide will be charged at £50 which will include company name, address and telephone number.

For further details please telephone:

IRENE NOEL on 01-248 5205  
ROBERT WINTER 01-236 9763  
OR  
MIKE HILLS on 01-248 4864

**FINANCIAL TIMES**  
EUROPE'S BUSINESS NEWSPAPER

# Would you really want to recruit a Marketing Director who doesn't read the FT?

Does it surprise you that the FT reaches more Department Heads in the UK whose main responsibility is for marketing, than any other quality national newspaper?

It shouldn't. With our comprehensive and authoritative coverage of business trends, no self respecting Marketing Director can afford to miss our pages.

You may also be pleasantly surprised to learn that advertising space on our Thursday Appointments pages is 30% cheaper than the Daily Telegraph and almost 40% cheaper than the Sunday Times.

Do we need to comment further?

Call Francis Phillips on 01-248 8000 for details.

*recruitment*  
**No FT...no comment.**

\*The European Businessman Readership Survey 1984.

Handwritten signature or mark at the bottom center of the page.



# International Appointments

## BANKING PROFESSIONALS Outstanding Overseas Career Opportunities

We are one of Britain's largest, most successful banks with a worldwide extensive network of more than 2,000 offices in over 60 countries, employing some 57,000 staff and involved in the provision of both retail and wholesale services.

We now need to recruit a number of ambitious banking professionals to supplement our existing expatriate cadre. The individuals required will have a minimum of five years banking experience who could aspire to increased responsibility either immediately or in the short term and would have the dedication to commit to a globally mobile, long term overseas banking career. Age is not a crucial factor although it is unlikely that anyone under 25 would have sufficient experience. Associate membership of the Institute of Bankers (or equivalent) is essential.

The salary and benefits package would be that expected from a large, successful, international banking group and includes provision of fully furnished accommodation and other benefits normally applying to expatriate service.

In the first instance please write detailing your personal details and career achievements to date to:

Alan Bartlett, Deputy General Manager (Group Personnel),  
Standard Chartered Bank PLC, 10 Clements Lane, London EC4N 2AR.

**Standard Chartered**

## International Banking Careers

### Starting with assignments in Training, Management Development, Research.

Bankers with flare to communicate and pass on knowledge to others are needed by a large, profitable and growing bank with offices in 70 countries, which proposes to extend its management development and training function, which is at present discharged through centres in Cairo, Harare, Hong Kong, Karachi, Lagos, London and New York.

The expansion would be in field research, development of training manuals/materials, field implementation of research findings, planning and conducting training courses and seminars. These activities would be carried out in all fields in the broad spectrum of international banking, including liability management funds transfer, financial and management accountancy, bank credit analysis, documentary bills and credits, foreign exchange trading/management, internal audit, systems analysis, and also in management and marketing. The new recruit should expect a short orientation at the bank's International Management Development Centre in London, followed by initial work assignments in training and development, which may be in their home countries. Suitable officers who successfully complete such assignments over a few years, will subsequently be offered opportunities to work in other fields of the bank.

The eligible candidate will be around thirty-five years old, (maximum forty) will have a good academic background and 7 to 10 years' work experience (including a minimum of 3 years in all aspects of international commercial banking). Fluency in English, proven communication, training and banking skills, a flexible mind, an open and cosmopolitan outlook, and capacity for arduous work are essential. Command of other languages is desirable. Candidates should be knowledge seekers, and should have an intensive desire not only to excel as bankers and communicators but also as human beings.

The compensation package will be fully competitive.

If you are interested, please apply in writing, quoting the name of the newspaper, with full CV including age and other personal particulars with two passport size recent photographs to Mrs. Bridget Killick, Foster Turner & Benson, Chancery House, Chancery Lane, London WC2A 1QU.

**Foster Turner & Benson  
Recruitment Advertising**



At the Department of Mineral Resources Engineering, with the Division of Raw Materials Technology exists a vacancy for

## full professor in processing technology

This professional field comprises the technologies of processing of primary minerals, secondary resources by upgrading and extractive metallurgy for conversion into products suitable for further industrial processing.

The appointee's task will consist of:

- acting as leading professor for educational and research tasks of the Division
- giving courses at the undergraduate and graduate levels in subject of his choice
- coordinate courses for modern integrated mineral processing design
- arrange courses to suit the special requirements for thesis work by graduates and post graduates
- conduct and coordinate advanced research at the Division
- maintain worldwide contacts with the mineral processing industry
- participate actively in departmental administrative tasks.

The appointee should have at least 10 years of industrial experience, preferably in the fields of raw materials processing research in the industry and process innovation. He is expected to operate jointly with colleagues from the physical and chemical processing disciplines.

Proof of his suitability for this position must be evident from his past career, publications, registered patents and his involvement in (co)designs of processing plants.

Appointment and pay will be in accordance with government regulations for leading professors.

Written applications, accompanied by a curriculum vitae, list of publications etc. to be directed to the Head Control Personal Dept., Delft University of Technology, 134 Julianalaan, 2228 BL Delft, the Netherlands. With indication of code nr. MB 8411/3943.

**UNIVERSITY  
OF TECHNOLOGY  
DELFT**

### EMPLOYMENT CONDITIONS ABROAD LIMITED

An International Association of Employers providing confidential information to its member organisations, not individuals, relating to employment of expatriates and nationals worldwide  
01-437 7604



**FALCONBRIDGE**

## Manager Raw Materials Marketing

Falconbridge International Limited seeks an individual for this challenging position in Bermuda.

You will coordinate the sampling, assaying and shipping of raw materials; trace raw materials throughout the treatment and refining processes; assist in the global acquisition of non-Canadian raw materials to fill surplus capacity at the Falconbridge Smelter and the Kristiansand Refinery; help evaluate the economic viability of potentially suitable custom feeds. You will also contribute in the negotiation process of raw material acquisition.

An engineering background with experience at a Smelting or Refining operation preferred. Strong administrative and communications skills are essential.

Salary will be commensurate with experience and qualifications and will be complemented by a comprehensive range of employee benefits.

Please submit resume in confidence to:  
Director, Employee Relations  
FALCONBRIDGE INTERNATIONAL LIMITED  
P.O. Box 40  
Commerce Court West  
Toronto, Ontario  
M5L 1B4

Falconbridge International Limited is a member of the Falconbridge Group of Companies enriching the way we live by finding, processing and marketing metals and minerals worldwide.

## Den Danske Bank International Bankers

In line with our continued expansion we invite applications from candidates on Account Manager level, who have acquired at least 4 to 5 years' practical experience in either banking, commerce, or industry - a thorough knowledge of the international financial markets, a broad understanding of corporate lending, cash-management, conversant with negotiations at high level. A familiarity with Scandinavian languages is essential.

The successful candidates will, for a period, be based at the bank's Head Office in Copenhagen with subsequent employment in one of our foreign units.

Salary offered will reflect qualifications and experience.

Den Danske Bank is the largest bank in Denmark with an extensive domestic branch network. Internationally, the bank is currently operating in London, New York, Houston, Chicago, Singapore, and Luxembourg.

Please write to:

**DEN DANSKE BANK**

Peter Hinrichsen, Senior Vice President  
and Manager, Personnel  
12, Holmens Kanal  
DK-1092 Copenhagen K

## Audit Managers R36,000 negotiable

## Audit Seniors R24,000 negotiable

Ellisov Wolf and Partners, a medium-sized, forward-thinking group of Chartered Accountants, have exceptional opportunities for CAs to join them as Audit Managers and Audit Seniors in Johannesburg.

Maintaining the highest of technical standards, they operate in a flexible and informal manner so as to make working conditions as positive and enjoyable as possible. A substantial on-going management development programme has been instituted for partners and managers to continue top quality service to all clients.

## ...In South Africa

The country offers a high standard of living and lower taxation levels, excellent schooling, first class social, sporting and recreational facilities and a world-renowned climate. Remuneration and fringe benefits are extremely attractive and will include assistance with relocation costs to Johannesburg.

These positions are available on contract or permanent status. In the first instance, please contact Neville Gamsu on 01-253 7064, or write to him at Jeffrey's Henry Rudolf & Maritz, Wilsc House, 82/84 City Road, London EC1Y 2DA. Final interviews will be held in England and Scotland on 10th, 11th and 12th September.

**Ellisov, Wolf and Partners, Chartered Accountants**

South African member firm of Jeffrey's Henry International

## POSITIONS WORLDWIDE

Large selection of top-paying positions available

- Excellent benefits
- Tax-free incomes
- All occupations
- Free details

Universal Employment Services  
International Dept.

Gecoms House  
203 High Street  
London SE13 6LY

Tel: (01) 370 7688  
Telex: 8813271 Gecoms G

## FINANCIAL CONTROLLER

Athens (Single Status)

\$23,000 + Benefits

Our client, part of the international division of a major North American publishing group, has recently launched an exciting new publishing venture aimed specifically at the large and under served Arab Language market. Growth prospects are excellent.

As a key member of a small expatriate management team comprising editorial, marketing and finance, the controller will exercise full responsibility for financial matters as well as providing commercial input to the management of the business. The position is for an initial 12 months period and will report to the Managing Director with a functional link to the Group Financial Controller based in Toronto. The working language is English.

Applications are invited from qualified Accountants aged in their mid to late 20's who have well developed financial management skills probably gained within a smaller marketing orientated environment. Athens is a relatively low cost living area, with a very pleasant climate and access to year round recreational facilities.

Written applications containing career details should be forwarded, in confidence, to Robert N Collier or Neil Gillespie at our London address quoting reference Number 4733.

410 Strand, London WC2R 0NS. Tel: 01-836 9501  
26 West Nile Street, Glasgow G1 2PF. Tel: 041-226 3101  
3 Coates Place, Edinburgh EH3 7AA. Tel: 031-225 7244  
Ecock House, 77 Fountain Street  
Manchester M2 2EE. Tel: 061-236 1553.

**DOUGLAS  
LLAMBAS**  
Douglas Llambras Associates Limited  
Accountancy & Management  
Recruitment Consultants





UK COMPANY NEWS

W. H. Smith £1m over forecast

BETTER THAN forecast profits have been achieved by W. H. Smith & Son (Holdings) for the 70-week period ended June 2 1984. The final net is £33.43m compared with the May estimate of some £32.5m and with £26.71m attained in the previous accounting period...

Table with 4 columns: 70 weeks, 52 weeks, 52 weeks, 52 weeks. Rows include Turnover, Trading profit, Property sales, Related companies' losses, Interest receivable, Profit before tax, Taxation, Net profit, Extraordinary loss, Preference dividends, Ordinary dividends, Earnings per share, Asset value per share.

The group is pleased with the first results from its space reallocation programme which is giving more space to traditional products—magazines, books and stationery. This programme will be extended to the majority of shops during the next 12 months.

(£583,000) and inter-group sales £56.4m (£58.58m). The profit included surplus on sale of properties £516,000 (£1.49m), interest receivable £1.23m (£743,000 paid), and was after depreciation £17.87m (£11.88m) and staff share £1.52m (£302,000).

There are extraordinary losses this time of £25,000, comprising £345,000 profit on disposal of subsidiaries, £33,000 costs associated with the abortive offer for Martin the Newsagent, and £1.17m closure costs, making £1.41m less tax relief applicable £390,000.

Continued expansion at Good Relations

Continuing satisfactory progress in the six months to June 30 1984 has lifted pre-tax profits at Cambridge Electronic Industries from £3.58m to £3.04m, an increase of some 27 per cent.



Maureen Smith, the managing director of Good Relations

The proportion of profit taken by tax at £1.1m against £2.94m is virtually unchanged, whereas a significant reduction would have been achieved but for the effect of the Act on capital allowances and stock relief. This charge has restricted earnings per share to 9.1p, still some 25 per cent higher than the comparable 7.1p.

Cambridge Electronic rises 27% and sees upward trend

Lex looks at the prospects for Horwath's continued independence now that the tour operator Grand Metropolitan has still considering its options in the light of Horwath's first half, off-season losses and the industry's need for a less aggressive pricing structure next year.

HIGHLIGHTS

Just as CEI has managed to pull its two problem—subsidiaries round, some of its other companies have run into a headwind. The group's 27 per cent profit increase was entirely thanks to the electrical components arm, where a £1.1m swing into the black by Bepi and Electro-Trol accounted for the bulk of a 60 per cent divisional profit rise.

The improvement has allowed the directors to raise the interim payout from 1.8p to 2.07p net per share. Last year saw total dividends reach 6p net per share on pre-tax profits of £9.72m (£7.51m).

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Pearl Assurance improves to £8.4m midterm

HIGHER PROFITS from the long-term business have enabled Pearl Assurance to offset a setback in the general and increase its net profit from £7.02m to £8.36m in the first half of 1984. The directors are lifting the interim dividend from 12p to 13.75p net.

The underwriting loss in the UK was £3.27m, of which the amounts incurred in the underwriting of property and motor were £3.22m and £1.43m respectively compared with £1.63m and £540,000 in the first half of 1983.

Monarch Insurance of Ohio is still reporting adverse results from the run-off of the primary business, but expects this business to slow to a trickle by the end of the year.

SelecTV £2m loss: new financing

IN WHAT the chairman Mr Robert Maxwell describes as a very difficult year, SelecTV has incurred a loss of £2.04m for the 12 months ended March 31 1984, and that brings the accumulated deficit to £1.81m, in the previous year the loss was £488,000.

Mr Maxwell says further licence applications will be made when the next round is announced and he expects the company to take equity investments in new franchise operating companies where "we see good potential for success".

CAMBRIDGE ELECTRONIC INDUSTRIES PLC Interim Results For the six months ended 30th June 1984. 25.7% increase in turnover to £63.0m. 27.4% increase in profit before taxation to £5.0m. 27.5% increase in earnings per share to 9.1p. 15.0% increase in interim dividend to 2.07p per share.

Yearling bonds total £17.25m

Yearling bonds totalling £17.25m at 10.5 per cent, redeemable on August 23 1985, have been issued this week by the following local authorities: Braintree District Council £0.5m; East Hampshire DC £0.5m; Hackney (London Borough of) £1m; Durham (City of) £0.5m; Gravesham Borough Council £0.5m; South Oxfordshire DC £0.25m; Wansbeck DC £0.25m; Metropolitan Police District (The receiver for the) £0.5m; Birmingham (City of) DC £1m; Walsall Metropolitan DC £1m; Gwent Regional Council £2m; Hillingdon (London Borough of) £1m; Leeds (City of) £2m; Mid Sussex DC £0.5m; Northavon DC £0.5m; Cambridge City DC £0.25m; Abereiddy (City of) DC £1.5m; Bedfordshire County Council £0.75m; Ellesmere Port & Neston (Borough of) £0.5m; Newcastle-upon-Tyne (City of) £0.5m; Northampton BC £0.75m; Sheffield (City of) £1.25m.

SHARE STAKES

Noble & Lund - Selective Investments has acquired a further 25,000 shares and now holds 595,800 Ordinary (10.4 per cent). Standard Securities - G. H. Leigh, a director, has sold 250,000 Ordinary shares.

Mr Maxwell says further licence applications will be made when the next round is announced and he expects the company to take equity investments in new franchise operating companies where "we see good potential for success".

Table with 5 columns: Company Name, Current payment, Date of payment, Corrected payment, Total for year. Includes Aerospace Engg, Apex Properties, Cambridge Elect, English & Scot Int, Gold Fields, Good Relations, Horizon Travel, Memec, Pearl Assurance, W. H. Smith, Supra Group.

Public Works Loan Board rates

Table with 5 columns: Years, Effective August 22, Quota loans repaid, Non-quota loans A\* repaid at maturity. Includes 1, 2, 3, 4, 5, 6, 7, 8, 9, 10, 15, 20, 25 years.

Granville & Co. Limited Member of NASDIB. Over-the-Counter Market. Table with columns: 1983-84 High Low, Company, Price Change, Gross Div, % Fully Paid.

THE FINANCE ACT 1984. This, the second longest Finance Act ever, implements the Chancellor's radical tax changes. Almost every business is affected by the capital allowances changes alone. Deloitte Haskins & Sells explain the Acts provisions simply and clearly in this 44 page A4 booklet.



BIDS AND DEALS

MINING NEWS

Racal sees 'prodigious' prospects for merger

By Ray Maitland
SHARES in Chubb & Sons were tracking slightly higher as Racal Electronics launched its formal £143.8m bid for the locks and safes manufacturer.

Dominion Intl. seeks £14m via bid

BY ALEXANDER NICOLL

Dominion International, the fast-growing property, natural resources and financial services group chaired by Mr Max Lewisohn, yesterday announced plans to raise about £14m of capital by bidding for Anglo-International Investment Trust.

have a combined holding of 54 per cent in it. Dominion was believed to be one of the potential bidders for London Prudential, but settled instead for Anglo-International, managed by Singer & Friedlander.

Part of the proceeds will be used to reduce that purchase, and the remainder will reduce short-term borrowings as well as financing continued expansion. Dominion's borrowings at March 31 represented 68 per cent of shareholders' funds and minority interests totalling \$46.6m.

new capital projects in the year ended March 1984. Most recently, it paid £2.2m for a quarter share in Latex, a yet-to-open automated financial futures exchange based in Bermuda.

Sun Life bids for control of associate

Sun Life Assurance is paying up to £11.2m to gain control of Sun Life Duit Services, its unit-linked sales associate. Sun Life already holds all the "B" or voting shares in SLUS—30 per cent of the equity—and a further 5 per cent in non-voting "A" shares.

Further gains for Hudbay

BY GEORGE MILLING-STANLEY

STRONGER ZINC prices and higher production of the metal combined to offset the impact on Canada's Hudson Bay Mining and Smelting of continued weak copper prices, with the result that the group has improved on the recovery which became evident in the opening three months of this year.

operating costs contained these to below the levels of 1983. Hudbay has increased its exploration efforts in the vicinity of Flin Flon-Snow Lake, and is in addition actively pursuing opportunities in gold exploration.

Montagu forms NY subsidiary

Samuel Montagu, the merchant bank, is to form a New York subsidiary to expand its business in international capital markets.

Sumrie Clothes stake in hands of undisclosed buyer

BY ALEXANDER NICOLL

TWO BLOCKS of shares in Sumrie Clothes, totalling some 12 per cent of the loss-making Leeds menswear group, have changed hands recently, but no buyer has yet come forward to disclose a holding in the company.

Price devalues Moray Firth

Moray Firth Holdings has told shareholders that Scottish & Newcastle Breweries' stake in its subsidiary was acquired at a price which "fails to reflect the current value of the company."

ITT raises stake in STC to 37.4%

ITT has bought a further 383,000 shares in Standard Telephones and Cables at 274p each, bringing its stake to 37.4 per cent and its purchases in the past few days to 1.97 per cent of the UK communications group.

A new offshore diamond venture to start soon

MEMORIES of the undrained diamond mining saga of Mr Sammy Collins' Marina Diamond Corporation in the 1960s are revived with news of the latest venture to recover diamonds from the stormy waters of the South Atlantic, just off the coast of Namibia.

Operations are due to start before the end of this year with a coastal vessel, the Calypso, which will use an air-lift, or vacuum-cleaner method to raise the diamond-bearing gravels.

American Oil bid approach

American Oil Fields Systems, a loss-making explorer for oil and gas in the U.S., said yesterday that it had held discussions which could lead to an offer being made for it.

Sumrie stake in hands of undisclosed buyer

Mr Harold Tillman, who resigned from the board earlier this week, said yesterday that he and Mr Harold Sorsky, who also resigned, have sold their combined stake of nearly 9 per cent in Sumrie to an unidentified private investor.

Sumrie stake in hands of undisclosed buyer

Mr Benson said yesterday Sumrie's management was being reorganised and its plant would be modernised to restore the company to profit. It has 270 employees in three plants at Leeds and Doncaster, making mens' suits and formal wear.

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A new offshore diamond venture to start soon

It is to be carried out by Ocean Diamond Mining (ODM), a private company headed by Mr Ivan Prinssep. He was founding member of Dawn Diamond which in the late-1970s recovered diamonds in commercial quantities from shallow operations off the Namaqualand coast.

A new offshore diamond venture to start soon

They are likely to contain mainly gem quality stones and ODM estimates that at a price of \$150 (\$80) per carat it should be able to operate profitably with an average production of over 2,000-3,000 carats a month.

BNFL Continuing financial success

British Nuclear Fuels plc has had another successful year financially. Following the substantial increase in profits achieved in 1982-83 progress has been maintained with a pre-tax profit of £71M, compared with the previous year's £55M.

This has enabled a total dividend payment of £16.3M to be made to the Government as shareholder, an increase of £3.9M.

SUPPORTING U.K. INDUSTRY

The Group's major capital investment programme, on which £296M was spent last year, will involve expenditure of a further £3,500M over the next 10 years. This spending will be augmented by another £1,500M on materials and services.

PROTECTING THE ENVIRONMENT

We have to meet exceptionally high environmental protection standards, especially in the reprocessing area of our business at Sellafield in Cumbria—and rightly so. Overall our record has been a good one. Routine discharges to the sea of low level radioactivity from Sellafield have been reduced dramatically over the last 10 years and that trend was maintained last year.

SPOILING THE RECORD

It was unfortunate that against this background the Company's year should have been marred by an incident at Sellafield, which led to the deposition of very small quantities of radioactive contaminated material on local Cumbrian beaches.

Success



Review by the Chairman Con Allday C.B.E.

Table with 2 columns: 1984 and 1983, and 2 rows: £M and £M. Rows include Turnover, Operating Profit, Profit on Ordinary Activities Before Taxation, Profit for the Financial Year, Dividends, Profit Retained, Capital Expenditure, Assets Employed, Shareholders' Interest (Average for Year), Profit for the Financial Year Related to Average Shareholders' Interest, and Number of Employees (Average for Year).

I have already expressed regret to the public that the incident occurred and for the inconvenience it has caused. However, I remain confident that no harm has or will be caused to anyone as a result of it and steps were taken immediately to prevent any similar occurrence.

MEDIA INTEREST

The incident obviously attracted a great deal of adverse media interest during the year. So did an allegation made in a Yorkshire Television programme that past reprocessing operations by the Company and its predecessors had led to an increased incidence of cancer in the Sellafield area.

SECURING THE FUTURE

During the year the Group spent £50M on research and development, equal to some 10% of sales income. Of this, £41M was spent on support for major new projects and £9M on speculative research to maintain the Group's long-term competitiveness, including fast reactor fuel cycle development.

Form for requesting copies of the Company's Annual Report & Accounts for 1983/84, including fields for Name and Address.



### UK COMPANY NEWS

# Price war takes its toll on Horizon

BY ALISON HOGAN

AN UPSURGE in late bookings has ended the price discount war between the major holiday tour companies.

The return to healthier margins has come too late in the season, however, for Horizon Travel, one of the UK's largest independent tour operators, to resume the growth in trading profits it envisaged at the time of the annual report.

Horizon yesterday reported losses before tax of £300,318 for the six months to end-May 1984, compared with profits of £704,848, despite holding its position as the second largest water operator with around 12 per cent of the market.

It was hit by additional aircraft leasing costs and a price cutting war which resulted in a relaunch of its winter brochure on smaller margins.

Turnover rose by nearly 25 per cent from £43.8m to £54.52m. But Mr Bruce Tanner, chairman of Horizon yesterday said that the company expected tour operators to increase prices by around 20 per cent which would improve margins, although volume growth probably be flat as a result.

He repeated his opposition to a possible takeover bid from the leisure group Grand Metropolitan, following a breakdown of discussions last week with its chairman Mr Stanley Grinstead.

Horizon wishes to remain independent and to be a minute part of a huge conglomerate, Mr Tanner said.

He insisted that Horizon operates more effectively independently with its "close-knit, dedi-



Mr Bruce Tanner, chairman of Horizon Travel, sees "few if any benefits from linking with a huge conglomerate."

ated management team." He would not leave Horizon, however, in the event of Grand Met succeeding in a bid for the company.

Mr Michael Orr, financial director of Grand Met said that the board would study Horizon's financial results before deciding whether to proceed with a bid.

Horizon is holding the interim dividend at 0.88p, but the £372,581 cost of this payment is uncovered with the company showing an attributable loss of £596,988 (profit £498,457) - the loss per share is stated as 1.41p (earnings 1.18p).

Mr Tanner said that a slow start to the winter market has

been reported generally. Despite a later launch of Horizon brochures and lower total bookings to date, bookings received each week now match or exceed the weekly inflows of a year ago. Horizon's penetration of the Gatwick market is increasing steadily.

In the 1983-84 year Horizon achieved "excellent profits" of £12.57m on turnover of £124.21m and paid a final dividend of 3.12p.

Negotiations have been concluded for the sale next winter of one of Orion's existing 737-300 series aircraft at a U.S. dollar price, which at prevailing exchange rates, will produce a profit in excess of £50m - a profit which, says Mr Tanner, serves to underline the value of the group of the six remaining owned aircraft.

But unless there is unexpectedly high demand in the charter market, the chairman says that a second 737-300 aircraft will be sold. This would result in Orion's capacity being held at 10 aircraft.

Mr Harry Goodman, the chairman of yesterday's annual meeting warned that airline charter rates are under pressure. "We believe the market will remain competitive over the next two to three years," he said.

Intasun had so far achieved a 26 per cent improvement in sales on last year, says Mr Goodman, but it would be wrong, however, to over-estimate the importance on trading of these improvements.

Mr Tanner said that a slow start to the winter market has

amounted to £325,611 (payable £222,668) and minorities added £7,719 (£16,477).

Holidays sold for the current summer, including the new Broadway programme, number 368,000 - an increase of 28 per cent.

"This increase, says Mr Tanner, was achieved despite a general slowdown in the rate of bookings from May to mid-July, reflecting the impact of excess capacity in the market at discounted prices, together with the repercussions of the miners' strike and a decline in the value of sterling."

Mr Tanner said that a slow start to the winter market has

## Demerger costs hit Argyle Trust

AN ABNORMALLY large share distribution associated with the demerger of Dewey Warren, Lloyd's insurance broker, means the Argyle Trust shareholders are unlikely to receive a dividend in respect of their current year, say the directors in their interim report.

However, despite the depletion of Argyle's distributable reserves due to the demerger, the directors are confident of the future expansion and profitability of the group.

In the six months to June 30, excluding Dewey Warren's results, Argyle Trust's interest, gross rents received and other income expanded from £389,000 to £1,466,000 at the taxable level. It recorded profits of £48,000 against losses of £281,000.

There were tax credits of £92,000 (£194,000), after which earnings per share were stated as 0.66p (loss 0.47p) - extraordinary debits amounted to £20,000 (£52,000), relating to additional demerger costs, redundancy and reorganisation expenditure, and investment property sale surplus.

The transfer to non-distributable reserves totalled £120,000, against £47,000, being consolidation adjustment regarding endowment linked loans, including profits less tax, and transfers in respect of property sales.

Argyle has interests in licensed deposit taking, consumer finance and mortgage lending, life assurance and consumer insurance.

The abolition of life assurance premium relief in March reduced the rate at which Sterling Life and Sterling Trust were expanding although Argyle is confident that this will only have a temporary adverse effect on the group's business.

Also, following the demerger, the progress was made in reducing central overheads than was anticipated. It is now unlikely that the pre-tax profit of not less than £200,000 projected at the time that the demerger was proposed last autumn will be achieved during the current period, although it would appear that the difference is unlikely to be substantial.

The demerger progress was made in reducing central overheads than was anticipated. It is now unlikely that the pre-tax profit of not less than £200,000 projected at the time that the demerger was proposed last autumn will be achieved during the current period, although it would appear that the difference is unlikely to be substantial.

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## Supra up by £36,000 at midway

FURTHER improvement in trading at Supra Group resulted in a rise in pre-tax profits from £220,950 to £257,007 for the half ending at the end of May 1984.

The directors say that providing market trends do not alter they expect to show a satisfactory result in the current year.

The net interim dividend has been lifted from 0.75p to 0.8p - in the last full year a total of 1.5p was paid on pre-tax profits of £773,860.

Half year earnings per share are shown as rising from 1.22p to 1.37p.

The group, which manufactures motor components, also control products and paints, continues to make satisfactory progress, say the directors.

Current turnover for the half year has risen to £5.2m from £5.32m to £5.2m - is showing further advances.

Turnover broke down as to home £5.61m and exports £241,320. The directors say that raw material costs are now escalating, reflecting the weakness of the pound which is putting considerable pressure on margins.

They say that exports are improving in all areas.

Tax amounted to £146,737 (£124,481), and there were losses from good trading conditions which existed throughout the period and, more significantly, from continued expansion of the product range and an increased number of customers served.

Little change at Apex Props.

Little change has been shown in pre-tax profits at Apex Properties for the year to the end of March 1984, with the result amounting to £602,631, against £600,460. The net final dividend remains unchanged at 1.3p, which holds the total at 5p.

Earnings per 10p share were shown as rising from 3.93p to 6.21p.

Turnover came to £1.13m (£1,080,000).

The group's principal investment properties were valued at the end of March on an open-market basis by the directors, who say they believe that the values of these properties has not changed materially since the end of March 1983 when they were independently valued on a similar basis.

The group's development property, St George's Tower, is included in the accounts at its book value of £9.1m. At the time of its acquisition, Mr Howard said that this property had been actively marketed, but that no letting had been achieved. The directors now say they intend to have this property independently valued when it has been let.

Aerospace Engn.

Operating profits fell at Aerospace Engineering in the year to April 30 1984 and the final dividend is being effectively cut by 50 per cent.

Profits were further reduced by start-up costs of Aerospace Communications Systems and a turnaround to a negative interest balance. Mr R. Morando, chairman, has waived his entitlement on 2.5m ordinary shares.

Turnover of this precision engineer to the aerospace industry, more than doubled from £4.44m to £11.85m and profits emerged lower at £1.03m compared with £1.12m.

After £515,000 in start-up costs and a net interest charge of £60,000 (receivable £135,000), taxable profits were £10,000 lower at £448,000.

Earnings per share fell from a stated 8.9p to 3.14p, after tax of £150,000 (£241,000), and the final dividend is being cut from 3.25p, adjusted for a one-for-one scrip, to 8.25p, which makes a total of 3.25p (4.875p).

The company moved from the USM to a full listing last November.

## Memec growth rate reaches 63%

THE RATE of increase in taxable profit accelerated at Memec (Memory and Electronic Components) in the half-year to end June 1984.

A growth rate of 62.5 per cent in the period, from £1.21m to £1.96m, is nearly 20 per cent higher than that reached in the last full financial year, when profits were up from £1.97m to £2.81m. The directors are now confident that a further satisfactory increase in profit will be achieved in the current year.

They are backing their confidence with a 21 per cent increase in the interim dividend from an effective 0.605p to 0.725p net per share. The total last time was an equivalent 1.56p.

Turnover also showed a significant improvement to rise from £5.03m to £3.77m, and the directors believe that the general trading outlook is good, with many new products being developed and brought to market.

The company has directed activities away from those areas which it feels will be most affected by a "significant slowing of demand for electronic components."

The tax charge, at a rate of 47.5 per cent this time, was £92,000 (£62,500 at 52 per cent), to leave earnings per share at a quoted 4.22p, up from 2.71p.

In a detailed comment on the result, the directors go on to say that the growth arose partly from good trading conditions which existed throughout the period and, more significantly, from continued expansion of the product range and an increased number of customers served.

The following companies have notified dates of board meetings to the Stock Exchange. Such meetings are usually held for the purpose of considering dividends. Official indications are not available as to whether the dividends are interim or final and the dates shown below are based mainly on last year's timetable.

TODAY  
Interim: A.P.V., SBA, Bus Circle Industrial, British Aluminium, Cadbury Schweppes, L. M. Ericsson (Telefonaktiebolaget), Exco International, Metal Bulletin, News, Norfolk Capital, Novo Industri A/S, Olives Paper Mill, Paramba, Queens

Most Houses, Segs, Holidays, Unibond, Finlay, John Beales, Data Electric, Brest, Press Tool, Trencham, Hotspur, Yorkshire Chemicals, FUTURE DATES

Interim: Alexander Holdings, Aug 31  
Cement Roadstone, Sept 5  
Gardiner & Theobald, Sept 26  
Unilever, Sept 28  
Sirens (A. G.), Aug 29  
Sept 3  
Final: Copson (F.), Sept 4  
Learnes, Padbury, Sept 7  
Sims Kirby, Sept 1  
Stewart Plastics, Aug 30

There is little to fault Memec's first half performance. Over the past three years, the company has progressively increased its rate of growth and with a 62 per cent profits rise under its belt so far this year, the trend looks set to continue. Looking behind the figures there is no magic formula at work. As the company admits, much of the growth is being fuelled by the market's demand in the computer field and Memec has taken full advantage. Memec is also finding a little extra from its start-up businesses which have found new product areas to exploit. Their success has led to more start-ups (Ambar Systems and Technology Warehouses) but now Memec is using acquisitions to look for extra growth. Midwich, bought in to open up the educational market, should pitch in around £200,000 this year, making around £4.5m pre-tax a realistic group target. On a historical tax charge this puts the 200p shares, up 20p, on a prospective multiple of 2.5p, ahead of the sector average and fully abreast of developments.

BOARD MEETINGS

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# WHSMITH

W.H. Smith & Son (Holdings) PLC.  
Results 70 weeks to 2 June 1984.

52 weeks to 2 June 1984 £ million		70 weeks to 2 June 1984 £ million	52 weeks to 29 Jan 1983 £ million
986.4	TURNOVER	1,290.2	871.3
36.4	TRADING PROFIT	41.3	25.9
0.9	Property profits	0.9	1.5
1.1	Net interest	1.2	(0.7)
38.4	PROFIT BEFORE TAX	43.4	26.7
15.5	Taxation	18.3	11.9
22.9	PROFIT AFTER TAX	25.1	14.8
(0.8)	Extraordinary items - loss	(0.8)	-
22.1	NET PROFIT	24.3	14.8
Per 50p share			
13.25p	Earnings before extraordinary items	14.58p	8.65p
4.2p	Dividend	5.6p	3.0p

- \* The financial year has been changed to the Saturday nearest to the end of May and the results now announced cover the 70 week transitional period to 2 June 1984. To provide a comparison the results for the new financial year, 52 weeks to 2 June 1984, are shown.
- \* In the 70 week period: W.H. Smith retailing turnover was £679.5 million with trading profit of £24.5 million; W.H. Smith Do It All (the DIY business) turnover was £70.8 million with trading profit of £1.6 million; W.H. Smith wholesaling turnover was £553.3 million with trading profit of £16.0 million.
- \* The dividend for the 70 week period per 50p share of 5.6p is equivalent to an annual rate of 4.2p - a 40% increase on 1982/83.

The abridged results statement above is an extract from the latest accounts. These accounts have not yet been delivered to the Registrar of Companies, nor have the auditors reported on them.

For copies of our Annual Report and Accounts please write to the Company Secretary, at Strand House, 10 New Fetter Lane, London EC4A 1AD after 13 September 1984.

## Rennies Consolidated Holdings Limited



Floating-rate note spree raises close to \$1bn, Page 34

SECTION III - INTERNATIONAL MARKETS FINANCIAL TIMES

Thursday August 23 1984

NEW YORK STOCK EXCHANGE 24-26 AMERICAN STOCK EXCHANGE 25-26 U.S. OVER-THE-COUNTER 26, 34 WORLD STOCK MARKETS 26 LONDON STOCK EXCHANGE 27-29 UNIT TRUSTS 30-31 COMMODITIES 32 CURRENCIES 33 INTERNATIONAL CAPITAL MARKETS 34

KEY MARKET MONITORS

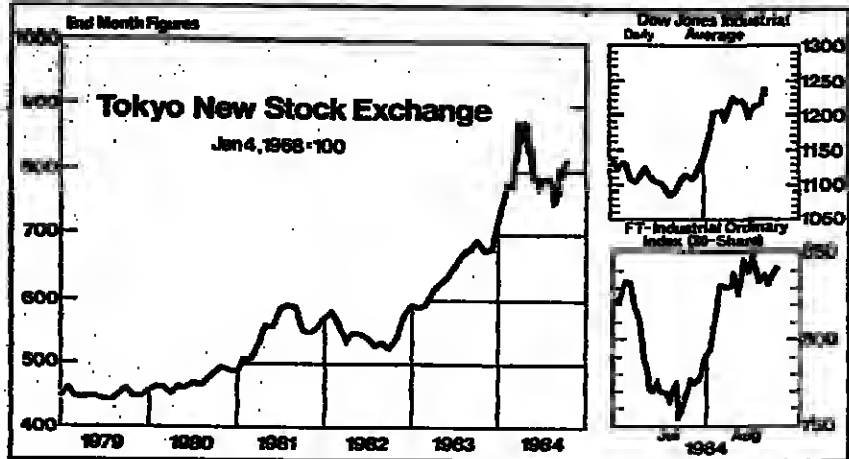


Table with columns for Stock Market Indices (New York, London, Tokyo, Australia, Austria, Belgium, Canada, France, West Germany, Hong Kong, Italy, Netherlands, Norway, Singapore, South Africa, Spain, Sweden, Switzerland, World) and Currencies (U.S. Dollar, Sterling, Euro-currencies).

Table with columns for Interest Rates (Euro-currencies, U.S. Bonds) and Financial Futures (Chicago, U.S. Treasury Bonds, U.S. Treasury Bills, U.S. Treasury Notes, U.S. Treasury Debts).

Table with columns for Commodities (Gold, Silver, Copper, Coffee, Oil) and other market data.

WALL STREET

Early trend runs out of steam

A BOUT of late profit-taking among blue chip stocks brought a reversal on Wall Street yesterday as sellers finally overwhelmed buyers in heavy two-way trading...

The weakness was less evident across the broader market, however, and the American Stock Exchange index managed to hold on to an advance of 1.09 at 210.87...

Analysts' views on the short-term outlook for the stock market were mixed. Some believe that it could still correct itself downwards towards the 1,150 to 1,160 range...

The most encouraging sign came from the total of block trades, which at 1,320 by noon compared with 1,148 by the same time the previous session.

On the American Stock Exchange, Beecham of the UK was to the fore on the active stocks list, trading unchanged at 33 1/2.

A block of nearly 1.1m shares in Ford Motor was crossed at 34 1/2, with sizeable trading in the open market lifting the stock to the top of the New York Stock Exchange active list...

The day's newcomer, Korea Fund, which will initially invest in dollar-denominated money market instruments...

buyers again, edging up 5 1/2 to 33 1/2. Financial Corporation of America firmed 3 1/2 to 35 1/2.

In the credit market, there was little immediate response to the dip in the federal funds rate to its lowest level for a week.

TOKYO Gains come but energy still lacking

SELECTIVE buying centred on medium-priced blue chips drove share prices higher in Tokyo yesterday, although market energy remained at a low ebb...

The sharp overnight rise on Wall Street triggered buying interest in internationally popular blue chips, but this faded towards the close.

Many securities company officials said that internationally popular blue chips are unable to play a leading role in Tokyo because of inactive foreign buying...

Conversely, incentive-backed issues among middle-priced blue chips traded briskly. Stanley Electric, engaged in development of a thyristor semiconductor, leaped Y46 to Y920.

The bond market showed no major movement, despite active participation by city and trust banks and the yen's weakness against the dollar.

One securities trader said that since the beginning of this month, European and South-east Asian investors had stepped up buying of government bonds with about one year remaining to maturity...

SOUTH AFRICA

LETHARGIC trading left shares in Johannesburg narrowly mixed. Golds floundered either side of Tuesday's closing levels as the bullion price remained little changed.

Other mines were mostly steady, although De Beers shed 17 cents to R8.80 in further reaction to its interim results.

EUROPE

Moderate boost to momentum

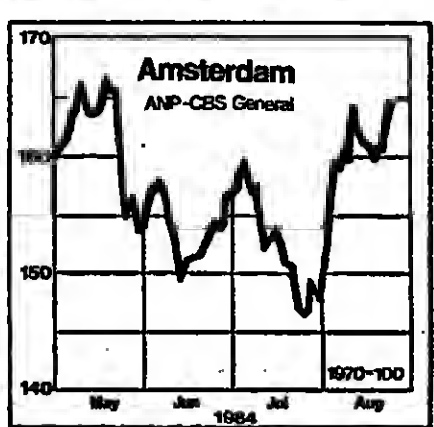
ENTHUSIASM received no marked bolstering on the European bourses yesterday by the New York resurgence overnight.

In volume, they were significantly above levels of a week ago but still far short of the activity seen nearer the beginning of the year, and profit-takers by no means disappeared.

Frankfurt opened on a weak note but was later assisted by renewed foreign interest. Results prompted only marginal movements among chemicals...

The Bundesbank sold an aggressive DM 72.2m of paper into a steady but dull bond market.

Institutional involvement in Amsterdam, a market which traditionally follows Wall Street more closely than coun-



terparts elsewhere, helped make for a 2.2 rise in the ANP-CBS general index to 164.8.

Internationals fared best, with Royal Dutch FI 2.70 higher at F1 163.9 on U.S. buying. Other notable gains came from ABN, up F1 9 to the F1 300 mark...

A new state issue subdued domestic bonds. The revival of foreign demand in Stockholm continued, allowing Ericsson a SKr 6 gain at SKr 384 and Asea SKr 8 at SKr 380.

Tuesday's favourable trade figures pushed Paris higher, with the most prominent gain being Ffr 140 for L'Oréal at Ffr 2,440, a two-day advance of Ffr 185 or 6 per cent.

The best Zurich rises came for chocolate maker Lindt, SwFr 150 higher at SwFr 11,100; tour operator Kuoni, the

same ahead at SwFr 7,800; and Aluisse, SwFr 32 stronger at SwFr 775.

Oslo moved strongly ahead, but Copenhagen eased amid poor Danish trade figures, and Madrid was also weaker.

LONDON

AN EXPECTANT start in London on the back of Wall Street's overnight rally was muted by the late threat of a national docks strike.

Larger investors continued their seasonal absence, leaving the running to small private clients, and turnover remained low.

The FT Industrial Ordinary index shed most of an early 8-point gain to close 1.7 up at 841.6.

Government stocks were more volatile than recently with the tone again influenced by the trend on the futures markets.

Chief price changes, Page 26; Details, Page 27; Share information service, Pages 28-29

AUSTRALIA

A FAVOURABLE reaction to the federal budget combined with better Wall Street and gold prices to send prices sharply higher in Sydney in active trading.

The All Ordinaries index ended 12.6 up at 751.9 - its highest level for three months - on turnover of 59.5m shares, up from 39m. Gains outnumbered losses 28 to 92.

Property and construction companies benefited strongly from the announcement of an accelerated depreciation scheme for non-residential buildings...

Retailers were also stronger on anticipation that personal tax cuts in the budget would boost consumer spending.

HONG KONG

PRICES closed mixed in moderate trading in Hong Kong, leaving the Hang Seng index 0.50 up at 907.99.

Among properties, Cheung Kong fell 30 cents to HK\$37.45, Hongkong and Kowloon Wharf gained 2 cents to HK\$33.37 and Hoogkong Land added 5 cents to HK\$2.77.

SINGAPORE

A QUIETLY mixed result emerged in Singapore, with the Straits Times index edging up 1.64 to 940.80.

The firmer financial sector drew most attention. UOB, which gained 12 cents to S\$4.04, and DBS, which added 5 cents to S\$7.95, ranked among the four most active issues.

CANADA

ENERGY issues led a continued strengthening in Toronto in the wake of Tuesday's rally.

Financials and transport stocks were firmer with only utilities and golds going against the stronger trend.

GulfAir introduce their high frequency Summer timetable. The pick of the daily daylight flights. Enjoy the famed comfort of our wide-bodied TriStar jets, cuisine honoured by La Chaine des Rôtisseurs, complimentary refreshments and in-flight entertainment. There's no better choice to the Gulf.



For more information contact your travel agent or Gulf Air. 4 FIVE ADELLY, LONDON W1Y 9NF. TELEPHONE 01-409 1951. MANCHESTER 061 832 0677. BIRMINGHAM 021 632 5931. GLASGOW 041 248 6381 OR KEY PRESTEL 222915.

Abu Dhabi. 14 flights a week from Heathrow.

ABU DHABI AMMAN ATHENS SAHRAIN BANGKOK BEIRUT BOMBAY CAIRO COLOMBO DELHI DHAHRAN DHAKA DOHA DUBAI HONG KONG JEDDAH KARACHI KHARTOUM KUWAIT LARNACA LONDON MANILA MUSCAT PARIS RAS AL KHAIMAH RIYADH SALALAH SHARJAH TUNIS







AMERICAN STOCK EXCHANGE COMPOSITE CLOSING PRICES

Handwritten Arabic text: هكزا ص ا ق ل

Main table of American stock exchange closing prices, organized into columns by stock symbol and price. Includes sub-sections like C-C-C, E-E-E, F-F-F, G-G-G, H-H-H, I-I-I, J-J-J, K-K-K, L-L-L, M-M-M, N-N-N, O-O-O, P-P-P, Q-Q-Q, R-R-R, S-S-S, T-T-T, U-U-U, V-V-V, W-W-W, X-X-X, Y-Y-Y, Z-Z-Z.

Continued on Page 26

NEW YORK STOCK EXCHANGE COMPOSITE CLOSING PRICES

Main table of New York stock exchange closing prices, organized into columns by stock symbol and price. Includes sub-sections like A-A-A, B-B-B, C-C-C, D-D-D, E-E-E, F-F-F, G-G-G, H-H-H, I-I-I, J-J-J, K-K-K, L-L-L, M-M-M, N-N-N, O-O-O, P-P-P, Q-Q-Q, R-R-R, S-S-S, T-T-T, U-U-U, V-V-V, W-W-W, X-X-X, Y-Y-Y, Z-Z-Z.

Continued from Page 24

Notes explaining the data: Sales figures are unofficial... Dividends are shown for the stock only... W-W-W, X-X-X, Y-Y-Y, Z-Z-Z.

WORLD ECONOMIC INDICATORS every Monday in the Financial Times



WORLD STOCK MARKETS

AUSTRIA

Table of Austrian stock prices including Creditanstalt, Oeser, and others.

GERMANY

Table of German stock prices including AEG-Telef, Allianz, and others.

NORWAY

Table of Norwegian stock prices including Bergen Bank, and others.

AUSTRALIA (continued)

Table of Australian stock prices including Gen Prop Trust, and others.

JAPAN (continued)

Table of Japanese stock prices including MHI, and others.

SPAIN

Table of Spanish stock prices including Banco de España, and others.

NETHERLANDS

Table of Dutch stock prices including AEG Holding, and others.

FRANCE

Table of French stock prices including Air Liquide, and others.

ITALY

Table of Italian stock prices including Banca Com, and others.

SWEDEN

Table of Swedish stock prices including Alfa-Laval, and others.

HONG KONG

Table of Hong Kong stock prices including Bank East Asia, and others.

SINGAPORE

Table of Singapore stock prices including Boustead, and others.

SOUTH AFRICA

Table of South African stock prices including ABC, and others.

OVER-THE-COUNTER

Table of over-the-counter market closing prices for various stocks.

LONDON

Table of London stock market closing prices and chief price changes.

CANADA

Table of Canadian stock prices including Toronto market.

MONTREAL

Table of Montreal stock prices including various local companies.

AMERICAN STOCK EXCHANGE

Table of American stock exchange closing prices for various sectors.

WORLD VALUE OF THE DOLLAR

Table showing the world value of the dollar in various currencies.

Continued on Page 34

Continuation of the American stock exchange closing prices table.

WORLD VALUE OF THE DOLLAR

Table showing the world value of the dollar in various currencies.



LONDON STOCK EXCHANGE

MARKET REPORT

Response to Wall Street upsurge muted by late threat of dockers' strike

Account Dealing Dates... First Dealing... Last Account Dealing... July 29 Aug 9 Aug 10 Aug 20 Aug 23 Aug 30 Aug 31 Sept 10 Sept 13 Sept 14 Sept 24 Sept 27 Sept 28 Oct 8 Oct 11 Oct 12 Oct 13 Oct 14 Oct 15 Oct 16 Oct 17 Oct 18 Oct 19 Oct 20 Oct 21 Oct 22 Oct 23 Oct 24 Oct 25 Oct 26 Oct 27 Oct 28 Oct 29 Oct 30 Oct 31 Nov 1 Nov 2 Nov 3 Nov 4 Nov 5 Nov 6 Nov 7 Nov 8 Nov 9 Nov 10 Nov 11 Nov 12 Nov 13 Nov 14 Nov 15 Nov 16 Nov 17 Nov 18 Nov 19 Nov 20 Nov 21 Nov 22 Nov 23 Nov 24 Nov 25 Nov 26 Nov 27 Nov 28 Nov 29 Nov 30 Dec 1 Dec 2 Dec 3 Dec 4 Dec 5 Dec 6 Dec 7 Dec 8 Dec 9 Dec 10 Dec 11 Dec 12 Dec 13 Dec 14 Dec 15 Dec 16 Dec 17 Dec 18 Dec 19 Dec 20 Dec 21 Dec 22 Dec 23 Dec 24 Dec 25 Dec 26 Dec 27 Dec 28 Dec 29 Dec 30 Dec 31

Government stocks... Fixed interest... Industrial... Gold mines... Ord. Div. Yield... Earnings... P/E Ratio... Total returns... Equity turnover... Equity bargains... Shares traded...

FINANCIAL TIMES STOCK INDICES

Table with columns for various stock indices (Government, Fixed Interest, Industrial, Gold Mines, Ord. Div. Yield, Earnings, P/E Ratio, Total returns, Equity turnover, Equity bargains, Shares traded) and their values for different dates.

10 am 847.2, 11 am 845.0, Noon 845.5, 1 pm 845.6, 2 pm 845.0, 3 pm 845.0, 4 pm 845.0, 5 pm 845.0, 6 pm 845.0, 7 pm 845.0, 8 pm 845.0, 9 pm 845.0, 10 pm 845.0, 11 pm 845.0, 12 pm 845.0

HIGHS AND LOWS S.E. ACTIVITY

Table showing Highs and Lows for various stock indices and S.E. Activity for different dates.

new low of 88p before closing... 35p respectively. Among the more speculative explorers, buyers showed occasional enthusiasm for Central Pacific Minerals, 30p, and Southern Resources, 37p, both up 4. Whims Creek firmed a similar amount at 124p.

South African Golds remained very much a backwater following another lifeless performance by bullion which traded within narrow limits throughout the day and finally closed unchanged on balance at \$35.50 per ounce.

RECENT ISSUES

Table listing recent issues with columns for Issue, Amount, Price, and other details.

FIXED INTEREST STOCKS

Table listing fixed interest stocks with columns for Issue, Amount, Price, and other details.

"RIGHTS" OFFERS

Table listing rights offers with columns for Issue, Amount, Price, and other details.

NEW HIGHS AND LOWS FOR 1984

Table listing new highs and lows for 1984 with columns for Issue, Amount, Price, and other details.

OPTIONS ACTIVE STOCKS

Table listing options active stocks with columns for Issue, Amount, Price, and other details.

RISES AND FALLS YESTERDAY

Table listing rises and falls yesterday with columns for Issue, Amount, Price, and other details.

TUESDAY'S ACTIVE STOCKS

Table listing Tuesday's active stocks with columns for Issue, Amount, Price, and other details.

LONDON TRADED OPTIONS

Table listing London traded options with columns for Option, Amount, Price, and other details.

Pearl easier... Government stocks were more volatile than recently. The tone continued to be influenced by the trend of futures markets.

FT-Actuaries Share Indices... These indices are the joint compilation of the Financial Times, the Institute of Actuaries and the Faculty of Actuaries.

FT-ACTUARIES SHARE INDICES

These indices are the joint compilation of the Financial Times, the Institute of Actuaries and the Faculty of Actuaries.

Table showing FT-Actuaries Share Indices with columns for Equity Groups & Sub-sections, Wed Aug 22 1984, and other details.

FIXED INTEREST

Table showing fixed interest rates with columns for Price, Index, and other details.

BAE volatile... Leading miscellaneous industrial closed below the best, although a number of American favourites retained useful gains.

EUROPEAN OPTIONS EXCHANGE

Table showing European Options Exchange with columns for Series, Val., Last, and other details.

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Aussies firmer... Australians made the running in mining markets as investors expressed satisfaction with Mr Paul Keating's maiden Budget.

EUROPEAN OPTIONS EXCHANGE

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**Clear-A-Debt Ltd**  
Credit Management Consultants  
THE ETHICAL PROFESSIONALS  
01-683 0141

# FT LONDON SHARE INFORMATION SERVICE

## HOTELS - Continued

Stock	Price	%	Div	Yield
294 1000	1000	0.0	0.0	0.0
1000 1000	1000	0.0	0.0	0.0
1000 1000	1000	0.0	0.0	0.0

## BRITISH FUNDS

Stock	Price	%	Div	Yield
1000 1000	1000	0.0	0.0	0.0
1000 1000	1000	0.0	0.0	0.0
1000 1000	1000	0.0	0.0	0.0
1000 1000	1000	0.0	0.0	0.0
1000 1000	1000	0.0	0.0	0.0

## AMERICANS

Stock	Price	%	Div	Yield
1000 1000	1000	0.0	0.0	0.0
1000 1000	1000	0.0	0.0	0.0
1000 1000	1000	0.0	0.0	0.0
1000 1000	1000	0.0	0.0	0.0
1000 1000	1000	0.0	0.0	0.0

## BEERS, WINES - Cont.

Stock	Price	%	Div	Yield
1000 1000	1000	0.0	0.0	0.0
1000 1000	1000	0.0	0.0	0.0
1000 1000	1000	0.0	0.0	0.0
1000 1000	1000	0.0	0.0	0.0
1000 1000	1000	0.0	0.0	0.0

## DRAPERY & STORES - Cont.

Stock	Price	%	Div	Yield
1000 1000	1000	0.0	0.0	0.0
1000 1000	1000	0.0	0.0	0.0
1000 1000	1000	0.0	0.0	0.0
1000 1000	1000	0.0	0.0	0.0
1000 1000	1000	0.0	0.0	0.0

## ENGINEERING - Continued

Stock	Price	%	Div	Yield
1000 1000	1000	0.0	0.0	0.0
1000 1000	1000	0.0	0.0	0.0
1000 1000	1000	0.0	0.0	0.0
1000 1000	1000	0.0	0.0	0.0
1000 1000	1000	0.0	0.0	0.0

## INDUSTRIALS (Misc)

Stock	Price	%	Div	Yield
1000 1000	1000	0.0	0.0	0.0
1000 1000	1000	0.0	0.0	0.0
1000 1000	1000	0.0	0.0	0.0
1000 1000	1000	0.0	0.0	0.0
1000 1000	1000	0.0	0.0	0.0

## BUILDING INDUSTRY, TIMBER AND ROADS

Stock	Price	%	Div	Yield
1000 1000	1000	0.0	0.0	0.0
1000 1000	1000	0.0	0.0	0.0
1000 1000	1000	0.0	0.0	0.0
1000 1000	1000	0.0	0.0	0.0
1000 1000	1000	0.0	0.0	0.0

## ELECTRICALS

Stock	Price	%	Div	Yield
1000 1000	1000	0.0	0.0	0.0
1000 1000	1000	0.0	0.0	0.0
1000 1000	1000	0.0	0.0	0.0
1000 1000	1000	0.0	0.0	0.0
1000 1000	1000	0.0	0.0	0.0

## CANADIANS

Stock	Price	%	Div	Yield
1000 1000	1000	0.0	0.0	0.0
1000 1000	1000	0.0	0.0	0.0
1000 1000	1000	0.0	0.0	0.0
1000 1000	1000	0.0	0.0	0.0
1000 1000	1000	0.0	0.0	0.0

## BANKS, HP & LEASING

Stock	Price	%	Div	Yield
1000 1000	1000	0.0	0.0	0.0
1000 1000	1000	0.0	0.0	0.0
1000 1000	1000	0.0	0.0	0.0
1000 1000	1000	0.0	0.0	0.0
1000 1000	1000	0.0	0.0	0.0

## CHEMICALS, PLASTICS

Stock	Price	%	Div	Yield
1000 1000	1000	0.0	0.0	0.0
1000 1000	1000	0.0	0.0	0.0
1000 1000	1000	0.0	0.0	0.0
1000 1000	1000	0.0	0.0	0.0
1000 1000	1000	0.0	0.0	0.0

## FOOD, GROCERIES, ETC

Stock	Price	%	Div	Yield
1000 1000	1000	0.0	0.0	0.0
1000 1000	1000	0.0	0.0	0.0
1000 1000	1000	0.0	0.0	0.0
1000 1000	1000	0.0	0.0	0.0
1000 1000	1000	0.0	0.0	0.0

## DRAPERY AND STORES

Stock	Price	%	Div	Yield
1000 1000	1000	0.0	0.0	0.0
1000 1000	1000	0.0	0.0	0.0
1000 1000	1000	0.0	0.0	0.0
1000 1000	1000	0.0	0.0	0.0
1000 1000	1000	0.0	0.0	0.0

## INT. BANK AND O'SEAS GOVT STERLING ISSUES

Stock	Price	%	Div	Yield
1000 1000	1000	0.0	0.0	0.0
1000 1000	1000	0.0	0.0	0.0
1000 1000	1000	0.0	0.0	0.0
1000 1000	1000	0.0	0.0	0.0
1000 1000	1000	0.0	0.0	0.0

## CORPORATION LOANS

Stock	Price	%	Div	Yield
1000 1000	1000	0.0	0.0	0.0
1000 1000	1000	0.0	0.0	0.0
1000 1000	1000	0.0	0.0	0.0
1000 1000	1000	0.0	0.0	0.0
1000 1000	1000	0.0	0.0	0.0

## COMMONWEALTH AND AFRICAN LOANS

Stock	Price	%	Div	Yield
1000 1000	1000	0.0	0.0	0.0
1000 1000	1000	0.0	0.0	0.0
1000 1000	1000	0.0	0.0	0.0
1000 1000	1000	0.0	0.0	0.0
1000 1000	1000	0.0	0.0	0.0

## LOANS

Stock	Price	%	Div	Yield
1000 1000	1000	0.0	0.0	0.0
1000 1000	1000	0.0	0.0	0.0
1000 1000	1000	0.0	0.0	0.0
1000 1000	1000	0.0	0.0	0.0
1000 1000	1000	0.0	0.0	0.0

## BEERS, WINES & SPIRITS

Stock	Price	%	Div	Yield
1000 1000	1000	0.0	0.0	0.0
1000 1000	1000	0.0	0.0	0.0
1000 1000	1000	0.0	0.0	0.0
1000 1000	1000	0.0	0.0	0.0
1000 1000	1000	0.0	0.0	0.0

## ENGINEERING

Stock	Price	%	Div	Yield
1000 1000	1000	0.0	0.0	0.0
1000 1000	1000	0.0	0.0	0.0
1000 1000	1000	0.0	0.0	0.0
1000 1000	1000	0.0	0.0	0.0
1000 1000	1000	0.0	0.0	0.0

## FOREIGN BONDS & RAILS

Stock	Price	%	Div	Yield
1000 1000	1000	0.0	0.0	0.0
1000 1000	1000	0.0	0.0	0.0
1000 1000	1000	0.0	0.0	0.0
1000 1000	1000	0.0	0.0	0.0
1000 1000	1000	0.0	0.0	0.0

## HIRE PURCHASE, LEASING, ETC.

Stock	Price	%	Div	Yield
1000 1000	1000	0.0	0.0	0.0
1000 1000	1000	0.0	0.0	0.0
1000 1000	1000	0.0	0.0	0.0
1000 1000	1000	0.0	0.0	0.0
1000 1000	1000	0.0	0.0	0.0

## DRAPERY AND STORES

Stock	Price	%	Div	Yield
1000 1000	1000	0.0	0.0	0.0
1000 1000	1000	0.0	0.0	0.0
1000 1000	1000	0.0	0.0	0.0
1000 1000	1000	0.0	0.0	0.0
1000 1000	1000	0.0	0.0	0.0

## ENGINEERING

Stock	Price	%	Div	Yield
1000 1000	1000	0.0	0.0	0.0
1000 1000	1000	0.0	0.0	0.0
1000 1000	1000	0.0	0.0	0.0
1000 1000	1000	0.0	0.0	0.0
1000 1000	1000	0.0	0.0	0.0

## HOTELS AND CATERERS

Stock	Price	%	Div	Yield
1000 1000	1000	0.0	0.0	0.0
1000 1000	1000	0.0	0.0	0.0
1000 1000	1000	0.0	0.0	0.0
1000 1000	1000	0.0	0.0	0.0
1000 1000	1000	0.0	0.0	0.0

## INDUSTRIALS (Misc)

Stock	Price	%	Div	Yield
1000 1000	1000	0.0	0.0	0.0
1000 1000	1000	0.0	0.0	0.0
1000 1000	1000	0.0	0.0	0.0
1000 1000	1000	0.0	0.0	0.0
1000 1000	1000	0.0	0.0	0.0

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INDUSTRIALS—Continued

Table of industrial stocks including companies like British Airways, British Petroleum, and British Telecom, with columns for stock price, high/low, and volume.

LEISURE—Continued

Table of leisure stocks including British Airways, British Petroleum, and British Telecom, with columns for stock price, high/low, and volume.

MOTORS, AIRCRAFT TRADES

Motors and Cycles

Table of motor and cycle stocks including British Airways, British Petroleum, and British Telecom.

Commercial Vehicles

Table of commercial vehicle stocks including British Airways, British Petroleum, and British Telecom.

Components

Table of component stocks including British Airways, British Petroleum, and British Telecom.

Garages and Distributors

Table of garage and distributor stocks including British Airways, British Petroleum, and British Telecom.

Newspapers, Publishers

Table of newspaper and publisher stocks including British Airways, British Petroleum, and British Telecom.

PAPER, PRINTING

ADVERTISING

Table of paper, printing, and advertising stocks including British Airways, British Petroleum, and British Telecom.

INSURANCES

Table of insurance stocks including British Airways, British Petroleum, and British Telecom.

LEISURE

Table of leisure stocks including British Airways, British Petroleum, and British Telecom.

PROPERTY—Continued

Table of property stocks including British Airways, British Petroleum, and British Telecom.

PROPERTY—Continued

Table of property stocks including British Airways, British Petroleum, and British Telecom.

INVESTMENT TRUSTS—Cont.

Table of investment trusts including British Airways, British Petroleum, and British Telecom.

SHIPPING

Table of shipping stocks including British Airways, British Petroleum, and British Telecom.

SHOES AND LEATHER

Table of shoes and leather stocks including British Airways, British Petroleum, and British Telecom.

SOUTH AFRICANS

Table of South African stocks including British Airways, British Petroleum, and British Telecom.

TEXTILES

Table of textile stocks including British Airways, British Petroleum, and British Telecom.

TOBACCO

Table of tobacco stocks including British Airways, British Petroleum, and British Telecom.

TRUSTS, FINANCE, LAND

Table of trusts, finance, and land stocks including British Airways, British Petroleum, and British Telecom.

PROPERTY

Table of property stocks including British Airways, British Petroleum, and British Telecom.

PROPERTY

Table of property stocks including British Airways, British Petroleum, and British Telecom.

PROPERTY

Table of property stocks including British Airways, British Petroleum, and British Telecom.

PROPERTY

Table of property stocks including British Airways, British Petroleum, and British Telecom.

OIL AND GAS—Continued

Table of oil and gas stocks including British Airways, British Petroleum, and British Telecom.

PLANTATIONS

Table of plantation stocks including British Airways, British Petroleum, and British Telecom.

RUBBERS, PAINTS

Table of rubber and paint stocks including British Airways, British Petroleum, and British Telecom.

TEAS

Table of tea stocks including British Airways, British Petroleum, and British Telecom.

MINES

Table of mine stocks including British Airways, British Petroleum, and British Telecom.

Central Rand

Table of Central Rand mine stocks including British Airways, British Petroleum, and British Telecom.

Eastern Rand

Table of Eastern Rand mine stocks including British Airways, British Petroleum, and British Telecom.

Far West Rand

Table of Far West Rand mine stocks including British Airways, British Petroleum, and British Telecom.

O.F.S.

Table of O.F.S. mine stocks including British Airways, British Petroleum, and British Telecom.

Finance, Land, etc

Table of finance, land, etc stocks including British Airways, British Petroleum, and British Telecom.

Oil and Gas

Table of oil and gas stocks including British Airways, British Petroleum, and British Telecom.

Diamond and Platinum

Table of diamond and platinum stocks including British Airways, British Petroleum, and British Telecom.

Regional & Irish Stocks

Table of regional and Irish stocks including British Airways, British Petroleum, and British Telecom.

Options—3 month call rates

Table of 3-month call rates including British Airways, British Petroleum, and British Telecom.

Recent Issues and "Rights" Page 27

Text at the bottom right of the page regarding recent issues and rights.

SANYO INTERNATIONAL LTD. logo and contact information for London and Tokyo offices.

MINES—Continued header and introductory text for the mines section.

Table of mine stocks including British Airways, British Petroleum, and British Telecom.

NOTES

Text at the bottom right of the page regarding notes.



30 AUTHORIZED UNIT TRUSTS

Table of authorized unit trusts including British Group-Continued, Abbey Unit Tr. Mgrs., and various other trust listings with columns for name, value, and change.

FT UNIT TRUST INFORMATION SERVICE

Main table of FT Unit Trust Information Service listing various unit trusts such as Franklin Unit Mgt. Ltd., Key Fund Managers Ltd., and others, with columns for name, value, and change.

Financial Times Thursday August 23 1964

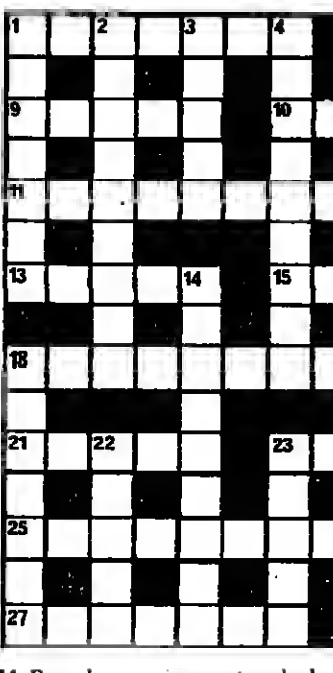
Table of Financial Times Thursday August 23 1964 listing various financial products and services with columns for name, value, and change.

INSURANCES

Table of insurance companies and policies including AA Friendly Society, Abbot Life Assurance Co. Ltd., and others, with columns for name, value, and change.

F.T. CROSSWORD PUZZLE No. 5499

ACROSS
1 Word to admit loan, perhaps, as seen by Titania's messenger (17)
5 Pennsylvania syrup production shown in old paper... (17)
9 ... Second issue of British king (13)
10 Made actor employed in antique, we hear (19)
11 Edward, father or prey? (8)
12 Bird left on river (15)
13 Scotch governor? (5)
15 Cordially welcoming, as to a bush-horn (14-1)
18 Stop paper being upset by hospital cataract (19)
19 Duck down (15)
21 Sluggers with diamonds (5)
23 Pied-tern converted now he's out (4, 5)
25 A Chelsea-top ball? Plenty there (18)
26 Bantlers' Times? (5)
27 They cover the lowest digits (17)
28 Ruler of district has work in chart-busting (17)
DOWN
1 Producer of (Uthello)? (7)
2 Titia, for example, can swell (14-1)
3 Surgical instrument to be made clean (5)
4 Has the last word in Arizona (19)
5 Rocks-afe? (5)
6 Home of the Bromes, English paragon in a way (19)
7 Much paper in respect of a manuscript (15)
8 Under the columns, we hear, should emerge (7)



Solution to Puzzle No. 5498

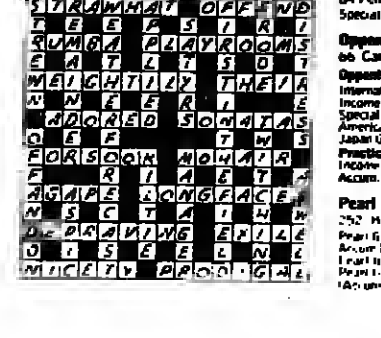


Table of crossword puzzle solutions for puzzle No. 5498, listing the words for each clue.

Table of crossword puzzle solutions for puzzle No. 5498, listing the words for each clue.

Table of crossword puzzle solutions for puzzle No. 5498, listing the words for each clue.



INSURANCE, OVERSEAS & MONEY FUNDS

Table listing various insurance and financial products, including Liberty Life Assurance Co Ltd, National Provident Institution, and others, with columns for fund names and values.

Table listing insurance and financial products, including Sava & Prosper Group, Target Life Assurance Co Ltd, and others, with columns for fund names and values.

Table listing insurance and financial products, including GAI Investments (UK) Ltd, Capital International Fund S.A., and others, with columns for fund names and values.

Table listing insurance and financial products, including Marlowe (UK) Ltd, Standard Life Assurance Co Ltd, and others, with columns for fund names and values.

OFFSHORE AND OVERSEAS

Table listing offshore and overseas financial products, including Arklow Investment Fund SA, Fidelity International, and others, with columns for fund names and values.

Money Market Trust Funds

Table listing money market trust funds, including Money Market Trust Funds, Money Market Trust Funds, and others, with columns for fund names and values.

Money Market Bank Accounts

Table listing money market bank accounts, including Money Market Bank Accounts, Money Market Bank Accounts, and others, with columns for account names and values.

NOTES

Notes section containing various financial notes and disclaimers regarding the data presented in the tables.



COMMODITIES AND AGRICULTURE

Cocoa futures rise strongly

BY JOHN EDWARDS

COCOA PRICES moved up strongly again on the London futures market yesterday following Nigeria's reported failure to meet the August 20 deadline for delivery of July shipments to European ports. The most heavily-traded December delivery position ended the day \$49.50 up at \$1,743.5 a tonne. The September delivery month gained \$36 to \$1,928.5 a tonne and remains at a substantial premium, reflecting the shortage of immediately-available supplies, particularly of good quality cocoa. Reports that Nigeria was offering financial compensation to some London dealers for failure to meet the August 20 deadline were greeted with scepticism. It was thought unlikely the Nigerians would make any such payments unless forced to do so by arbitration awards that would take long to collect. More likely is that dealers, who have been in constant talks with the Nigerian Cocoa Marketing Board, will try both to seek some compromise and to per-

Soviet grain harvest may be worse than feared

By Our Commodities Editor

NEWS THAT the Soviet Union had resumed buying U.S. wheat, after a two-week lull, coincided yesterday with reports that the Soviet harvest this year may be worse than feared.

Reuters reports from Moscow that drought had hit crops badly in one of the main grain growing areas, Kazakhstan. It quoted a local daily paper in the region reporting that because of drought a "very difficult situation" had developed.

Other grain-producing areas in the Soviet Union are also thought to have been hit by poor weather conditions.

This month the U.S. Department of Agriculture, which usually provides the most accurate forecast of the Soviet crop, lowered its predicted total from 190m to 186m tonnes, 60m tonnes below the official government target and 10m tonnes below last year.

The department also predicted that the Soviet Union would have to increase its grain imports this year to 43m tonnes, just below the record 46m tonnes bought in 1982.

It was confirmed in Washington on Tuesday that the Soviets had bought a further 500,000 tonnes of U.S. wheat. This included 450,000 tonnes for delivery by September 30—the end of the first year of a new long-term supply agreement between the two countries.

It is estimated that the Soviet Union has bought about 10m tonnes of U.S. grain since the end of June.

Concentrates shortage threatens copper

BY JOHN EDWARDS, COMMODITIES EDITOR

A GROWING world shortage of copper concentrates—the raw material used by smelters to produce refined copper—could transform the whole copper market supply-demand balance, according to a study just published by Metals and Minerals Research Services.

The study notes that "custom" copper concentrates are the essential feedstock for about 30 per cent of world primary refined output. The majority of smelters are integrated, the raw material being produced for them from parent or associated mining companies.

Many smelters, however, rely partly or wholly on bought-in "custom" concentrates supplied by independent sources, minus without any direct links to smelters or with surplus of concentrates available. They have been particularly

hard hit by depressed copper prices in the past few years, which has encouraged production cuts.

Meanwhile the rise in copper consumption and consequent decline in stocks is claimed to have created a shortage of "custom" concentrates reminiscent of the situation in the zinc industry a few years ago. That situation led to an upsurge in prices last year and the first half of this to the highest levels for 10 years.

The study warns that the shortfall in concentrate supplies is already behind cuts in refined copper production in Japan. This production fell in this first quarter to 233,522 tonnes, 15 per cent below the figure at the start of last year. As a result Japan has stepped up imports sharply this year. This has led to exporting

countries, such as Chile and Zambia, increasing deliveries to Japan and other Pacific Rim countries and taking refined metal from the London Metal Exchange warehouses to supply their original sales commitments.

It is claimed this is the main reason for the decline in LME warehouse stocks from a five-year peak of 435,975 tonnes in January to the latest total of 176,600 tonnes.

The study says there are four main reasons for the "potentially massive shortage of smelter feedstocks": These are: 1. Mine production cuts due to low prices. The average world copper mine production operating rate is unlikely to be more than 77 per cent of total capacity this year. 2. Concentrate shipments from several important suppliers, including The Philippines, are

well down. 3. World smelting capacity is rising sharply with new plants coming on stream or expanding existing capacity. 4. Consumption of refined copper has risen by nearly 7 per cent on last year, causing stocks to fall and boosting smelters' demand for concentrates.

The study concludes that the shortage of concentrates can be alleviated over the medium term only by custom smelter closures and mine relocations. Either way, however, refined copper supplies will be restrained by the "quite abnormal" shortage of concentrates.

The market for Custom Copper Concentrates to 1990, price \$3,000; Metals and Minerals Research Services, 225-225 Strand, London WC2R 1BA.

U.S. coffee consumption increases

COFFEE CONSUMPTION rose in the U.S. in this first quarter for the first time in five years, according to a study commissioned by the International Coffee Organisation.

It is hoped the rise in this January-March may indicate a reversal of the long-term downward trend in the U.S. The largest single buyer of coffee, accounting for nearly a quarter of total world imports.

The study estimated that per capita consumption rose to 1.89 cups a day, compared with 1.85 last year and 3.12 in 1982, the consumption peak year. 2. INDIAN state-owned Minerals and Metal Trading Corporation has signed contracts to export 18,000 tonnes of iron ore in 1984-85 ending March, 2m more than in the corresponding period last year, the Minister of State for Commerce said in New Delhi.

3. MEXICAN SILVER output will rise by 100,000 to 50m Troy ounces, securing Mexico's position as the world's leading silver producer, the Energy and Mining Ministry said. Last year Mexico produced 55.5m ounces.

4. ALCAN ALUMINIUM'S 550 workers at its Iron Bridge, Quebec, smelter have voted against granting a strike mandate to their union executive. The union said it was waiting for Alcan to reopen talks or for a government mediator to call a meeting.

5. THE average price of all tea sold at the London auction on Monday rose to 227.50p a kilo from 220.25p last week and represents the highest level since June 18. Figures released yesterday by the Tea Brokers Association of London show.

6. THE Australian Government will contribute A\$3.2m in cash to the buffer stock of the sixth International Tin Agreement in fiscal year ending June 30. Budget documents said.

U.S. imports less crude oil

BY NANCY DUNNE IN WASHINGTON

IMPORTS BY the U.S. of crude oil and petroleum products are running far below last year, according to weekly figures issued by the American Petroleum Institute (API). Crude imports in the week ending August 17 totalled about 3.2m barrels, considerably below the 4.5m imported in the corresponding week last year, the institute said. Petroleum imports declined to 1.7m barrels compared with 2.1m in the corresponding week last year. Meanwhile, stocks remain high. Crude oil stocks fell last week by more than 6m barrels to 345.1m barrels but are still slightly higher than a year ago. Crude oil stocks are put at 235m barrels, up from 225m last year. Only distillate stocks, which rose last week by 2.9m barrels to 131.6m barrels, are below last year's 137.6m barrels at the corresponding time.

World wool crop set to beat records

BY ANTHONY MORETON, TEXTILES CORRESPONDENT

WORLD wool production in the 1984-85 season is on course to beat all previous records, says the Commonwealth Secretariat in its authoritative Wool Quarterly. It forecasts that output will rise by 1.6 per cent during the season to 2,965m tonnes, greasy. A further rise is expected to come from Australia, although good gains are likely from the Soviet Union, New Zealand, Uruguay, Brazil, and possibly South Africa.

Australia, which accounts for a quarter of the world's wool and a very much higher proportion of the wool going into production of clothes, is expected to show a rise of 6 per cent in output, taking it to 766,000 tonnes.

The resilience of the Australian industry has surprised many observers. Following the severe drought, it was

thought the crop would have been severely affected, but it has been able to undergo a revision in estimates of production from the Australian authorities.

Production in 1983-84 eventually exceeded the previous season's total by more than 20.0m tonnes, greasy, or 3 per cent.

The Commonwealth Secretariat reports that earlier forecasts for that season, which suggested the Australian crop might have dropped, by about 17,000 tonnes, underestimated the excellent seasonal conditions in most wool-growing regions.

What appears to have happened is that the consequences of improved farm management, official assistance, and the buoyancy of the flocks during the 1982-83 drought was not fully foreseen.

EEC authorises white sugar export

By Our Commodities Staff

THE European Commission yesterday authorised the export of 62,150 tonnes of white (refined) sugar at its weekly selling tender. A maximum export rebate of 42.33 Ecu per 100 kilos was granted for 34,650 tonnes, the rest of the supply being allocated for the 1983-84 season.

A lower rebate of 41.975 units was given for 27,500 tonnes, the first sales for the 1984-85 season.

The quantity authorised for export was in line with expectations but the market was weakened by aggressive bidding for export licences in the first week of the new season. Prices were also boosted by speculative buying interest lifting New York values in early trading.

The outlook for 1984-85 world output appears good. Following the end of the long Australian drought, sheep numbers have increased substantially, and with wool growth responding well to exceptional conditions and plenty of feed, fleece weights are expected to be well above average. There is even the possibility they could be at a high point for recent years.

PRICE CHANGES

Table with columns for commodity names (Metals, Grains, etc.), current prices, and percentage changes. Includes items like Aluminium, Copper, Wheat, and various oils.

BRITISH COMMODITY PRICES

Table showing British commodity prices for various goods like Copper, Tin, Zinc, Lead, and Aluminium, with columns for current prices and changes.

AMERICAN MARKETS

Table of American market prices for commodities such as Wheat, Corn, Soybean Meal, and various oils, including current prices and changes.

NEW YORK, August 22

Table of New York market prices for commodities like Coffee, Sugar, and various oils, with columns for current prices and changes.

LONDON OIL

A steadier opening reflected firmness in physical and constructive U.S. stock figures. The market remained at the higher levels throughout the day while activity was light, reports Premier Men.

SPOT PRICES

Table of spot prices for various commodities including Crude Oil, Gas Oil, and other fuels.

GOLD MARKETS

Gold was unchanged from Tuesday's close in the London bullion market yesterday, finishing at \$345.345. The metal opened at \$345.345 and traded between a high of \$346.345 and a low of \$344.345. Trading was generally quiet with little reaction to the latest U.S. economic statistics.

LONDON FUTURES

Table of London futures prices for commodities like Gold, Silver, and various oils, with columns for current prices and changes.

EUROPEAN MARKETS

Table of European market prices for commodities like Wheat, Corn, and various oils, with columns for current prices and changes.

TIN

Table of tin prices for various grades and origins, including current prices and changes.

ZINC

Table of zinc prices for various grades and origins, including current prices and changes.

LEAD

Table of lead prices for various grades and origins, including current prices and changes.

ALUMINIUM

Table of aluminium prices for various grades and origins, including current prices and changes.

NICKEL

Table of nickel prices for various grades and origins, including current prices and changes.

SILVER

Table of silver prices for various grades and origins, including current prices and changes.

PIGMEAT

Table of pigmeat prices for various grades and origins, including current prices and changes.

COCOA

Table of cocoa prices for various grades and origins, including current prices and changes.

COFFEE

Table of coffee prices for various grades and origins, including current prices and changes.

SOYBEAN MEAL

Table of soybean meal prices for various grades and origins, including current prices and changes.

GRAINS

Table of grain prices for various types like Wheat, Corn, and Soybeans, including current prices and changes.

WHEAT

Table of wheat prices for various grades and origins, including current prices and changes.

COTTON

Table of cotton prices for various grades and origins, including current prices and changes.

INDICES

Table of financial indices including Dow Jones, S&P 500, and other market indicators.

REUTERS

Table of Reuters commodity prices for various goods.

MOODY'S

Table of Moody's commodity prices for various goods.

DOW JONES

Table of Dow Jones stock market indices.

CRUDE OIL

Table of crude oil prices for various grades and origins.

CRUDE OIL (LIGHT)

Table of light crude oil prices for various grades and origins.

CHICAGO

Table of Chicago market prices for commodities like Live Cattle, Hogs, and various oils.

LIVE CATTLE

Table of live cattle prices for various grades and origins.

LIVE HOGS

Table of live hog prices for various grades and origins.

SOYBEAN MEAL

Table of soybean meal prices for various grades and origins.

SOYBEAN OIL

Table of soybean oil prices for various grades and origins.

WHEAT

Table of wheat prices for various grades and origins.

Vertical advertisement on the right edge of the page, featuring the word 'DOLLAR' and other promotional text.



CURRENCIES, MONEY and CAPITAL MARKETS

FOREIGN EXCHANGES

Dollar falls in quiet trade

The dollar closed near its lowest level of the day in quiet trading... The dollar fell to DM 2.880 against the Deutsche Mark...

The Bundesbank sold \$45.3m of the fixing... Trading was generally quiet and trendless for most of the morning...

Elsewhere sterling was lower at DM 3.7870 from DM 3.7890... The Belgian franc continued to trade comfortably within the European Monetary System...

FINANCIAL FUTURES

Late fall

Sterling based futures lost ground in late trading in the London International Financial Futures Exchange yesterday...

London futures market eased back from the day's highs on profit taking... The September gilt price opened at 106.20 on 106.09...

EMS EUROPEAN CURRENCY UNIT RATES

Table with columns: Country, Currency, % change from central rate, % change from previous day, Divergence from ECU.

CURRENCY MOVEMENTS

Table with columns: Currency, Bank of England, % change from previous day.

CURRENCY RATES

Table with columns: Currency, Rate, % change from previous day.

OTHER CURRENCIES

Table with columns: Country, Currency, Rate, % change from previous day.

THE POUND SPOT AND FORWARD

Table with columns: Term, Rate, % change from previous day.

THE DOLLAR SPOT AND FORWARD

Table with columns: Term, Rate, % change from previous day.

EXCHANGE CROSS RATES

Table with columns: Currency, Rate, % change from previous day.

EURO-CURRENCY INTEREST RATES

Table with columns: Term, Rate, % change from previous day.

DISCOUNT HOUSES DEPOSIT AND BILL RATES

Table with columns: Term, Rate, % change from previous day.

FT LONDON INTERBANK FIXING

Table with columns: Term, Rate, % change from previous day.

MONEY RATES

Table with columns: Term, Rate, % change from previous day.

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Company Notices

Bank of Tokyo (Curaçao) Holding N.V. (Incorporated with limited liability in the Netherlands Antilles) £30,000,000 GUARANTEED FLOATING RATE NOTES DUE 1990

CAREER FUTURES COMMUNITY/LIFE RECRUITMENT Jonathan Wren Please contact: Michael Hutchings 01 623 1266

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Money Market Cheque Account from Bank of Scotland DO YOU WANT? High Rates of Interest No notice of withdrawal A cheque book to give you easy access

MONEY RATES

Table with columns: Term, Rate, % change from previous day.

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INTERNATIONAL CAPITAL MARKETS

FT INTERNATIONAL BOND SERVICE

The list shows the 200 latest international bond issues for which an adequate secondary market exists. The following are closing prices for August 22.

Table listing international bond issues with columns for Country, Issue Name, Maturity, Coupon, and Price. Includes sections for U.S. BONDS, EUROPEAN BONDS, and OTHER BONDS.

Table showing exchange rates for various currencies including Sterling, Deutsche Mark, Swiss Franc, and others.

Table showing interest rates for various financial instruments like Treasury bills, Eurodollars, and other short-term rates.

Table showing interest rates for various financial instruments like Eurodollars, Euroyen, and other short-term rates.

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French bank heads \$1bn FRN spree in Euromarkets

BY MAGGIE URRY IN LONDON

CLOSE TO \$1bn was raised in the Eurodollar bond market yesterday, all through floating rate note issues.

The largest of the three which appeared (there may be more in the wings) at 5600m was from Banque Francaise du Commerce Exterior, lead managed by Credit Suisse.

This was also considered the best of the three, trading well inside total fees of 0.85 per cent, at a discount of about 0.63 point to its par issue price.

Trading in Eurodollar bonds was again largely restricted to professional. After a bright start, following the firm New York market, prices slipped back to show gains of around 4 1/2 points on the day.

Deutsche Bank led a \$300m FRN issue for Ireland - reputedly around competitive bidding. Deutsche was seen to support the issue which met some hostile selling at around the total fees of 0.85 per cent, well inside the 1 1/4 per cent total fees.

Also had a 15-year maturity but with a put-option after 12 years, and a yield of 7 1/2 over six-month Libor. Co-leads are Credit Suisse First Boston, Banque Nationale de Paris, Orion Royal Bank and S. G. Warburg.

Smallest of the three at a mere \$75m - came from Korea Exchange Bank. It employed Morgan Guaranty's successful "flip-flop" formula, utilised now for perpetual floaters. KEB's is another with a 15-year life but, after two years, investors can switch into a three-year note, switching back again on the next two anniversaries.

Swiss franc bonds added 1/2 point in moderate turnover. The \$5Fr 80m convertible private placement for Mitsubishi Plastics was priced by SBC with a 2 1/4 per cent coupon and a 3.9 per cent conversion premium.

The new U.S. Treasury regulations for corporate treasury bonds are still a talking point as dealers re-evaluated in Europe, although it was quoted within its total fees of 1 1/4 per cent.

The first Samurai bond of the month was launched by Nikko Securities for Thailand; it raised \$100m through a seven-year bond priced at 99.5. A 7.7 per cent coupon gives a yield of 7.77 per cent.

THE DUTCH Government has returned to the Amsterdam capital markets only a month after raising \$1 800m there on an 8 1/4 per cent bond.

The latest issue, carrying a coupon of 8 1/4 per cent, will have a life of 10 years, redeemable in equal instalments from 1990 to 1994. The issue price will be known after subscriptions close on August 28.

Following the publication last week of the first half current balance of payments statistics, which showed an increase in the deficit from Dkr 5.1bn in 1983 to Dkr 10.1bn this year, the Government said it had no plans to take corrective action at this stage.

The Economy Minister Mr Andersen said that the second half current account was likely to show an improvement, as the surplus on trade in invisibles is usually larger in the second half, while there was a bunching of interest payments on the Government's foreign debt in the first half and this would mean a reduction in this item in the second half of the year.

OVER-THE-COUNTER

Continued from Page 26

Table listing over-the-counter market data for various stocks and bonds, including prices and changes.

Denmark sees bond prices fall

By Hilary Barnes in Copenhagen

BOND PRICES eased in the Danish market yesterday after publication of the preliminary July trade figures, which showed an increased deficit.

The deficit in July rose to Dkr 900m (\$85.7m) from Dkr 279m in June and a surplus of Dkr 231m last year, bringing the deficit for the year so far to Dkr 5.355bn compared with a surplus of Dkr 85m last year.

Imports in July rose 26 per cent to Dkr 12.06bn over the corresponding month last year, giving an import increase for the first seven months of 19 per cent and a total of Dkr 96.8bn. Exports in July were 13.3 per cent higher at Dkr 11.6bn, giving an increase for the year so far of 10 per cent and a total of Dkr 91.46bn.

Bond prices fell by up to a full point, and the yield on a typical mortgage bond rose from just over 14.8 per cent to about 15.9 per cent.

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Dutch return to market

BY WALTER ELLIS IN AMSTERDAM

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Indices

NEW YORK DOW JONES

Table showing index values for Australia, Austria, Belgium, Denmark, France, Germany, Hong Kong, Italy, Japan, Netherlands, Norway, South Africa, Spain, Sweden, Switzerland, and World.

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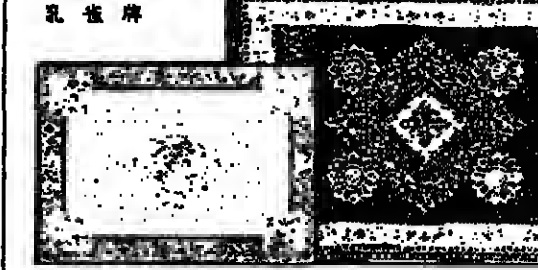
Table showing index values for Australia, Austria, Belgium, Denmark, France, Germany, Hong Kong, Italy, Japan, Netherlands, Norway, South Africa, Spain, Sweden, Switzerland, and World.

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Base values of all indices are 100 except Australia All Ordinaries and Industrial and Metals-1,000. Toronto indices based 1929=100 and Montreal Portfolio 4/1/83=100. Financials and 20 Transports, a Closed, a Unavailable.

PEACOCK WOOLLEN CARPETS



Hebei province has long traditions in carpet weaving. The superb carpets exported from this province under the Peacock brand are woven with choice woolen yarns, distinguished for their elaborate craftsmanship, good resilience and lasting durability.

There is a full range of Peacock carpets in stock. Orders are welcome.

Public Notice

Supply of Tampons Monopoly investigation

The Director General of Fair Trading has asked the Monopolies and Mergers Commission to look at the existence or possible existence of a monopoly situation in relation to the wholesale supply of manufacturers of tampons.

NOTICE IS HEREBY GIVEN that the creditors of the above-named Company, and if so required by notice in writing from the said Liquidator, are, personally or by their Solicitors, to come in and prove their debts or claims at such time and place as shall be specified in such notice, or in default thereof they will be excluded from the benefit of any distribution made before such debts are proved.

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LEGAL NOTICE IN THE MATTER OF TOWN CROWN LIMITED AND IN THE MATTER OF THE COMPANIES ACT 1948. NOTICE IS HEREBY GIVEN that the creditors of the above-named Company, and if so required by notice in writing from the said Liquidator, are, personally or by their Solicitors, to come in and prove their debts or claims at such time and place as shall be specified in such notice, or in default thereof they will be excluded from the benefit of any distribution made before such debts are proved.